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year, the quantity used, the type and quantity of products manufactured, and his year-end inventory of products. This report shall be filed promptly after the end of each crop year.

[37 FR 23325, Nov. 2, 1972, as amended at 43 FR 28439, June 30, 1978]

§ 987.168 Handler records.

Each handler shall establish complete records which accurately show the quantity of dates handled, disposed of, and withheld. These records shall be maintained for at least 2 years after the end of the crop year of record. Records shall show:

(a) For grower deliveries of dates, the name of each grower, the varieties delivered and the net weight of each variety;

(b) For shipments of dates, the variety, type of pack, net weight and destination or name and address of the person to whom each shipment was sent;

(c) If different from shipments, the variety, type of pack, net weight and purchaser of each quantity of dates sold; and

(d) Manifests, invoices, weight certificates, inventory tabulations, or any other documents necessary to prepare, file, or substantiate the reports required to be filed with the Committee.

[37 FR 23325, Nov. 2, 1972, as amended at 43 FR 28439, June 30, 1978]

§ 987.172 Adjustment of assessment obligation, and late payment and interest charges.

(a) In accordance with §§ 987.45 and 987.72, the assessment obligation of FP dates shall be based on the weight of the dates at the time of inspection and certification. However, if such dates are subsequently processed and packed within the area of production, the assessment obligation shall be adjusted to reflect any increase in weight and the obligation shall be placed on the handler agreeing to assume it.

(b) Pursuant to § 987.72, the committee shall impose an interest charge on any handler whose assessment payment has not been received in the committee's office, or the envelope containing the payment legibly postmarked by the U.S. Postal Service, within 60 days of the invoice date shown on the handler's statement. The interest charge shall be a rate of one and one-half percent per month, and shall be applied to the unpaid assessment balance for the number of days all or any part of the unpaid balance is delinquent beyond the 60-day payment period.

(c) In addition to the interest charge specified in paragraph (b) of this section, the committee shall impose a late payment charge on any handler whose payment has not been received in the committee's office, or the envelope containing the payment legibly postmarked by the U.S. Postal Service, within 60 days of the invoice date. The late payment charge shall be 10 percent of the unpaid balance.

[43 FR 28439, June 30, 1978, as amended at 79 FR 41417, July 16, 2014; 88 FR 82236, Nov. 24, 2023]

Subpart C—Assessment Rates

§ 987.339 Assessment rate.

On and after October 1, 2023, an assessment rate of $0.15 per hundredweight is established for dates produced or packed in Riverside County, California.

[89 FR 25780, Apr. 12, 2024]

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Subpart A—Order Regulating Handling

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AUTHORITY: 7 U.S.C. 601–674.

Subpart A—Order Regulating Handling

SOURCE: 25 FR 12813, Dec. 14, 1960; 27 FR 2506, Mar. 16, 1962, unless otherwise noted.

EDITORIAL NOTE: Nomenclature changes to part 989 appear at 83 FR 53973, Oct. 26, 2018.

DEFINITIONS

§ 989.1 Secretary.

Secretary means the Secretary of Agriculture of the United States or any officer or employee of the United States Department of Agriculture to whom authority has heretofore been delegated or to whom authority may hereafter be delegated, to act in his stead.

§ 989.2 Act.

Act means Public Act No. 10, 73d Congress, as amended, and as re-enacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (sections 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674).

[42 FR 37201, July 20, 1977]

§ 989.3 Person.

Person means an individual, partnership, corporation, association, or any other business unit.

§ 989.4 Area.

Area means the State of California.

§ 989.5 Raisins.

Raisins means grapes of any variety grown in the area, from which a significant part of the natural moisture has been removed by sun-drying or artificial dehydration, either prior to or after such grapes have been removed from the vines. Removal of a significant part of the natural moisture means removal which has progressed to the point where the grape skin develops wrinkles characteristic of wrinkles in fully formed raisins.

[37 FR 19622, Sept. 21, 1972]

§ 989.7 Golden Seedless raisins.

Golden Seedless raisins means raisins, the production of which includes soda dipping, sulfuring, and artificial dehydration.

§ 989.8 Natural condition raisins.

Natural condition raisins means raisins the production of which includes sun-drying or artificial dehydration but which have not been further processed to a point where they meet any of the conditions for ''packed raisins'', as defined in § 989.9.

[25 FR 12813, Dec. 14, 1960, as amended at 42 FR 37201, July 20, 1977]

§ 989.9 Packed raisins.

Packed raisins means raisins which have been stemmed, graded, sorted, cleaned, or seeded, and placed in any container customarily used in the marketing of raisins or in any container suitable or usable for such marketing. Raisins in the process of being packed or raisins which are partially packed shall be subject to the same requirements as packed raisins.

§ 989.10 Varietal types.

Varietal types means raisins generally recognized as possessing characteristics differing from other raisins in a degree sufficient to make necessary or desirable separate identification and classification. Varietal types are the following: Natural (sun-dried) Seedless, Dipped Seedless, Golden Seedless, Muscats (including other raisins with seeds), Sultana, Zante Currant, Monukka, and Oleate and Related Seedless: *Provided*, That the Committee may, subject to approval of the Secretary, change this list of varietal types.

[48 FR 32974, July 20, 1983]

§ 989.11 Producer.

Producer means any person engaged in a proprietary capacity in the production of grapes which are sun-dried

or dehydrated by artificial means until they become raisins.

[83 FR 53968, Oct. 26, 2018]

§ 989.12 Dehydrator.

Dehydrator means any person who produces raisins by dehydrating grapes by artificial means.

§ 989.12a Cooperative bargaining association.

Cooperative bargaining association means a nonprofit cooperative association of raisin producers engaged within the area in bargaining with handlers as to price and otherwise arranging for the sale of natural condition raisin of its members.

[32 FR 12158, Aug. 24, 1967]

§ 989.13 Processor.

Processor means any person who receives or acquires natural condition raisins, off-grade raisins, other failing raisins or raisin residual material and uses them or it within the area, with or without other ingredients, in the production of a product other than raisins, for market or distribution.

[32 FR 12158, Aug. 24, 1967; 33 FR 2983, Feb. 15, 1968, as amended at 42 FR 37201, July 20, 1977]

§ 989.14 Packer.

Packer means any person who, within the area, stems, sorts, cleans, or seeds raisins, grades stemmed raisins, or packages raisins for market as raisins: *Provided*, That:

(a) No producer with respect to the raisins produced by him, and no group of producers with respect to raisins produced by the producers comprising the group, and not otherwise a packer, shall be deemed a packer if he or it sorts or cleans (with or without water) such raisins in their unstemmed form;

(b) Any dehydrator shall be deemed to be a packer, with respect to raisins dehydrated by him, only if he stems, cleans with water subsequent to such dehydration, seeds or packages them for market as raisin;

(c) The Committee may, with the approval of the Secretary restrict the exceptions as to permitted cleaning if necessary to cause delivery of sound raisins; and

(d) No person shall be deemed a packer by reason of the fact he repackages for market (with or without additional preparation) packed raisins which, in the hands of a previous holder, have been inspected and certified as meeting the applicable minimum grade standards for packed raisins.

[32 FR 12158, Aug. 24, 1967]

§ 989.15 Handler.

Handler means: (a) Any processor or packer; (b) any person who places, ships, or continues natural condition raisins in the current of commerce from within the area to any point outside thereof; (c) any person who delivers off-grade raisins, other failing raisins or raisin residual material to other than a packer or other than into any eligible non-normal outlet; or (d) any person who blends raisins: *Provided*, That blending shall not cause a person not otherwise a handler to be a handler on account of such blending if he is either: (1) A producer who, in his capacity as a producer, blends raisins entirely of his own production in the course of his usual and customary practices of preparing raisins for delivery to processors, packers, or dehydrators; (2) a person who blends raisins after they have been placed in trade channels by a packer with other such raisins in trade channels; or (3) a dehydrator who, in his capacity as a dehydrator, blends raisins entirely of his own manufacture.

[37 FR 19622, Sept. 21, 1972]

§ 989.16 Blend.

Blend means to mix or commingle raisins.

§ 989.17 Acquire.

Acquire means to have or obtain physical possession of raisins by a handler at his packing or processing plant or at any other established receiving station operated by him: *Provided*, That a handler shall not be deemed to acquire any raisins (including raisins produced or dehydrated by him) while:

(a) He stores them for another person or as handler-produced tonnage in compliance with the provisions of §§ 989.58 and 989.70;

(b) He reconditions them, or;

(c) He has them in his possession for the purpose of inspection; and *Provided further*, That the term shall apply only to the handler who first acquires the raisins.

§ 989.18 Committee.

Committee means the Raisin Administrative Committee established under § 989.26.

[41 FR 32412, Aug. 3, 1976]

§ 989.20 Ton.

Ton means a short ton of 2,000 pounds.

§ 989.21 Crop year.

Crop year means the 12-month period beginning with August 1 of any year and ending with July 31 of the following year.

[41 FR 32412, Aug. 3, 1976]

§ 989.22 District.

District means any one of the geographical areas referred to in § 989.26, and designated in the rules and regulations.

[48 FR 32974, July 20, 1983]

§ 989.23 File.

File means transmit or deliver to the Secretary or Committee, as the case may be, and such act shall be deemed to have been accomplished at the time:

(a) Of actual receipt by the Secretary or Committee in the event of personal delivery;

(b) Of receipt at the office of the telegraph company, in case submission is by telegram; or

(c) Shown by the postmark, in case submission is by mail.

§ 989.24 Standard raisins, off-grade raisins, other failing raisins, and raisin residual material.

(a) *Standard raisins* means raisins which meet the then effective minimum grade and condition standards for natural condition raisins.

(b) *Off-grade raisins* means raisins which do not meet the then effective minimum grade and condition standards for natural condition raisins: *Provided*, That raisins which are certified as off-grade raisins shall continue to be such until successfully reconditioned or become ''other failing raisins.''

(c) *Other failing raisins* means any raisins received or acquired by a handler, either as standard raisins or off-grade raisins, which are processed to a point where they qualify as packed raisins but fail to meet the applicable minimum grade standards for packed raisins.

(d) *Raisin residual material* means defective raisins, stemmer waste, sweepings, and other residue accumulated by a handler from reconditioning raisins or from processing standard raisins and other failing raisins.

[25 FR 12813, Dec. 14, 1960, as amended at 42 FR 37201, July 20, 1977]

§ 989.24a Non-normal outlets.

Non-normal outlets means outlets other than those customarily used for commercial disposition of raisins meeting the then applicable minimum standards for natural condition raisins or packed raisins.

[29 FR 9483, July 11, 1964]

§ 989.25 Part and subpart.

Part means the order regulating the handling of raisins produced from grapes grown in California, and all rules, regulations, and supplementary orders issued thereunder. This order regulating the handling of raisins produced from grapes grown in California shall be a *subpart* of such part.

RAISIN ADMINISTRATIVE COMMITTEE

§ 989.26 Establishment and membership.

A Raisin Administrative Committee is hereby established consisting of 47 members of whom 35 shall represent producers, 10 shall represent handlers, 1 shall represent the cooperative bargaining association(s) and 1 shall be a public member. The producer members shall be selected as follows:

(a) Producer members representing the cooperative marketing association(s) shall be members of such association(s) engaged in the handling of raisins, each of which acquired not less than 10 percent of the total raisin acquisitions during the preceding crop year, and those members shall be equal

to the product, rounded to the nearest whole number, obtained by multiplying 35 by the ratio the cooperative marketing association(s) raisin acquisitions are to the acquisitions of all handlers during the preceding crop year.

(b) Producer members representing cooperative bargaining association(s) shall be members of such associations, and the number of those members shall be equal to the product, rounded to the nearest whole number, obtained by multiplying 35 by the ratio the raisins acquired by handlers from bargaining association members are to the total acquisitions of all handlers during the preceding crop year.

(c) All other producer members who shall not be members of a cooperative bargaining association(s), cooperative marketing association(s) engaged in the handling of raisins which acquired 10 percent or more of the total acquisitions during the preceding crop year, nor sold for cash to cooperative marketing association(s), shall represent all producers not defined in paragraph (a) or (b) of this section and shall be selected in the number and, when appropriate, for the districts as designated in the rules and regulations.

(d) The handler members shall be divided into two groups and include the following:

(1) Handler members shall be selected from and represent cooperative marketing association(s) engaged in the handling of raisins each of which acquired not less than 10 percent of the total raisin acquisitions during the preceding crop year, and the number of those members shall be equal to the product, rounded to the nearest whole number, obtained by multiplying 10 by the ratio of the cooperative marketing association(s) raisin acquisitions are to the total acquisitions of all handlers during the preceding crop year.

(2) The remaining handler members shall be selected from and represent all other handlers, which would include all independent handlers and small cooperative marketing association(s) who acquired less than 10 percent of the total raisin acquisitions during the preceding crop year. Handler nominees for this group shall be nominated by all handlers in the group in a manner determined by the Committee, with the approval of the Secretary, and specified in the rules and regulations.

(e) The ''cooperative'' bargaining association'(s) member shall be selected from the cooperative bargaining association(s). The public member shall be nominated by the Committee and selected by the Secretary as public member.

(f) For each member of the Committee there shall be an alternate member who shall have the same qualifications as the member for whom he is an alternate.

[48 FR 32974, July 20, 1983]

§ 989.27 Eligibility.

No person shall be selected or continue to serve as a member or alternate member of the Committee who is not actively engaged in the business of the group which he represents either in his own behalf, or as an officer, agent, or employee of a business unit engaged in such business: *Provided*, That only producers, as defined in § 989.11, engaged as such with respect to the most recent grape crop, are eligible to serve on the Committee. Only handlers who packed or processed raisins during the then current crop year shall be eligible to represent handlers on the Committee. Any handler eligible to represent a particular group shall continue to represent handlers for the entire term for which he was selected.

[48 FR 32974, July 20, 1983]

§ 989.28 Term of office.

The term of office of all representatives serving on the Committee shall be for two years and shall end on April 30 of even numbered calendar years, but each such member and alternate member shall continue to serve until their successor is selected and has qualified.

[48 FR 32975, July 20, 1983]

§ 989.29 Initial members and nomination of successor members.

(a) *Initial members.* Members and alternate members of the Committee serving immediately prior to the effective date of this amended subpart shall, if thereafter they are eligible, serve on the Committee until April 30, 1984, and

until their respective successors have been selected and qualified.

(b) *Nominations for successor members.* Nominations for successor members and alternate members of the Committee shall be made as follows:

(1) The Committee shall notify the cooperative marketing association(s) engaged in handling not less than 10 percent of the total raisin acquisitions during the preceding crop year, and cooperative bargaining association(s), of the date by which nominations to fill member and alternate member positions shall be made. The Committee shall give reasonable publicity of a meeting or meetings of producers who are not members of cooperative bargaining association(s), or cooperative marketing association(s) which handled 10 percent or more of the total raisin acquisitions during the preceding crop year, and of independent handlers and cooperative marketing association(s) who handled less than 10 percent of the total raisin acquisitions during the preceding crop year, for the purpose of making nominations to fill the member and alternate member positions prescribed in § 989.26 (c) and (d): *Provided,* That member and alternate member nominations by independent handlers and cooperative marketing association(s) who acquired less than 10 percent of the total raisin acquisitions during the preceding crop year may be made to the Committee by mail in lieu of meetings.

(2)(i) Any producer representing independent producer and producers who are affiliated with cooperative marketing association(s) handling less than 10 percent of the total raisin acquisitions during the preceding crop year must have produced grapes which were made into raisins in the particular district for which they are nominated to represent said district as a producer member or alternate producer member on the Committee. In the event any such nominee is engaged as a producer in more than one district, such producer may be a nominee for only one district. One or more producers may be nominated for each such producer member or alternate member position.

(ii) Each such producer whose name is offered in nomination for producer member positions to represent on the Committee independent producers or producers who are affiliated with cooperative marketing association(s) handling less than 10 percent of the total raisin acquisitions during the preceding crop year shall be given the opportunity to provide the Committee a short statement outlining qualifications and desire to serve if selected. Similarly, each such producer whose name is offered in nomination for producer alternate member positions to represent on the Committee independent producers or producers who are affiliated with cooperative marketing association(s) handling less than 10 percent of the total raisin acquisitions during the preceding crop year shall be given the opportunity to provide the Committee a short statement outlining qualifications and desire to serve if selected. These brief statements, together with a ballot and voting instructions, shall be mailed to all independent producers and producers who are affiliated with cooperative marketing associations handling less than 10 percent of the total raisin acquisitions during the preceding crop year of record with the Committee in each district. The producer member candidate receiving the highest number of votes shall be designated as the first member nominee, the second highest shall be designated as the second member nominee until nominees for all producer member positions have been filled. Similarly, the producer alternate member candidate receiving the highest number of votes shall be designated as the first alternate member nominee, the second highest shall be designated as the second alternate member nominee until nominees for all member positions have been filled.

(iii) In the event that there are more producer member nominees than positions to be filled and not enough producer alternate member nominees to fill all positions, producer member nominees not nominated for a member seat may be nominated to fill vacant alternate member seats. Member seat nominees shall indicate, prior to the nomination vote, whether they are willing to accept nomination for an alternate seat in the event they are not nominated for a member seat and there

are vacant alternate member seats. Member seat nominees that do not indicate willingness to be considered for vacant alternate member seats shall not be considered.

(iv) Each independent producer or producer affiliated with cooperative marketing association(s) handling less than 10 percent of the total raisin acquisitions during the preceding crop year shall cast only one vote with respect to each position for which nominations are to be made. Write-in candidates shall be accepted. The person receiving the most votes with respect to each position to be filled, in accordance with paragraph (b)(2)(ii) and (iii) of this section, shall be the person to be certified to the Secretary as the nominee. The Committee may, subject to the approval of the Secretary, establish rules and regulations to effectuate this section.

(3) One or more eligible handlers for each handler position to be filled may be proposed for nomination to represent independent handlers and cooperative marketing association(s) which acquired less than 10 percent of the total raisin acquisitions during the preceding crop year on the Committee. Nominations shall be made by and from handlers, or employees, representatives or agents of handlers falling within such groups. Each handler shall cast only one vote with respect to each position for which nomination is to be made. The person receiving the most votes with respect to each handler member of handler alternate member position shall be the person to be certified to the Secretary as the nominee for each such position.

(4) Each vote cast shall be on behalf of the person voting, the person's agent, subsidiaries, affiliates, and representatives. Voting at each handler meeting shall be in person. The results of each ballot at each handler meeting shall be announced at that meeting.

(5) Each nomination shall be certified by the Committee to the Secretary on or before April 5 immediately preceding the commencement of the term of office of the member or alternate member position for which the nomination is certified.

[48 FR 32975, July 20, 1983, as amended at 54 FR 34137, Aug. 18, 1989; 83 FR 53968, Oct. 26, 2018]

§ 989.30 Selection.

The Secretary shall select producer, handler, cooperative bargaining association(s), and public members and alternate members in the number specified in 989.26, as applicable, and with the qualifications specified in § 989.27. Such selections may be made from nominations certified pursuant to § 989.29 or from other eligible producers, handlers, or cooperative bargaining association(s) officers or employees.

[48 FR 32975, July 20, 1983]

§ 989.31 Failure to nominate.

In the event nomination for a member or alternate member position on the Committee is not certified pursuant to and within the time specified in § 989.29, the Secretary may select an eligible person to fill such position without regard to nomination.

[41 FR 32412, Aug. 3, 1976]

§ 989.32 Acceptance.

Each person to be selected by the Secretary as a member or as an alternate member of the Committee shall, prior to such selection, qualify by advising the Secretary that he/she agrees to serve in the position for which nominated for selection.

[48 FR 32975, July 20, 1983]

§ 989.33 Alternate members.

The alternate for a member of the Committee shall act in the place and stead of such member (a) during his absence, and (b) in the event of his removal, resignation, disqualification, or death, until a successor for such member's unexpired term has been selected and has qualified.

[41 FR 32412, Aug. 3, 1976]

§ 989.34 Vacancies.

To fill any vacancy occasioned by the failure of any person selected as a member or as an alternate member of the Committee to qualify, or in the

event of the removal, resignation, disqualification, or death of any member or alternate member, a successor for such person's unexpired term shall be nominated and selected in the manner set forth in §§ 989.29 and 989.30, insofar as such provisions are applicable. If nomination to fill any vacancy is not filed within 40 calendar days after such vacancy occurs, the Secretary may select an eligible person to fill such vacancy without regard to nomination.

[41 FR 32412, Aug. 3, 1976]

§ 989.35 Powers.

The Committee shall have the following powers:

(a) To administer the terms and provisions of this part;

(b) To make rules and regulations to effectuate the terms and provisions of this part;

(c) To recommend to the Secretary amendments to this part; and

(d) To receive, investigate, and report to the Secretary complaints of violations of this part.

[41 FR 32412, Aug. 3, 1976, as amended at 48 FR 32975, July 20, 1983]

§ 989.36 Duties.

The Committee shall have, among others, the following duties:

(a) To act as intermediary between the Secretary and any producer, packer, dehydrator, processor or cooperative bargaining association;

(b) To investigate compliance and to use means available to it to prevent violations of this part;

(c) To keep minutes, books, and other records, which shall clearly reflect all of its acts and transactions, and such minutes, books, and other records shall be subject to examination by the Secretary at any time;

(d) To investigate and assemble data on the production, handling and market conditions with respect to raisins;

(e) To submit to the Secretary such available information with respect to raisins and grapes as he may request, and such other information as the Committee may deem desirable and pertinent;

(f) To select from among its members a chairman and other officers, and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(g) To appoint or employ such other persons as it may deem necessary, and to determine the salaries and define the duties of each such person;

(h) To cause the books of the Committee to be audited by certified public accountants at least once each year, or at such other times as the Committee may deem necessary or as the Secretary may request, and the report of each such audit shall show, among other things, the receipts and expenditures of funds, and at least two copies of each such audit shall be submitted to the Secretary;

(i) To prepare quarterly statements of its financial operations and make such statements, together with the minutes of its meetings, available at the office of the Committee for inspection by producers, handlers and dehydrators;

(j) To give reasonable advance notice of the times, places, and purposes of its meetings by mail or other appropriate means to each member and alternate member and such notice shall be given as widespread publicity as is practicable;

(k) To conduct meetings for the purpose of making nominations for membership on the Committee and the certifying of nominations made for such purposes to the Secretary;

(l) To establish, with the approval of the Secretary, such rules and procedures relative to administration of this subpart as may be consistent with the provisions contained in this subpart and as may be necessary to accomplish the purposes of the act and the efficient administration of this subpart.

[41 FR 32412, Aug. 3, 1976, as amended at 48 FR 32975, July 20, 1983]

§ 989.37 Obligation.

Upon the removal, resignation, disqualification, or expiration of the term of office of any member or alternate member, such member or alternate member shall account for all receipts and disbursements and deliver to his successor, to the Committee, or to a designee of the Secretary all property (including, but not limited to, all books and records) in his possession or

under his control as member or alternate member, and he shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor, Committee, or designee full title to such property and funds, and all claims vested in such member or alternate member. Upon the death of any member or alternate member of the Committee, full title to such property, funds, and claims vested in such member or alternate member shall be vested in his successor or, until such successor has been selected and has qualified, in the Committee.

[41 FR 32412, Aug. 3, 1976]

§ 989.38 Procedure.

The Committee shall meet at the call of the chairman, or vice-chairman when acting as chairman, or at the call of any three members. All decisions of the Committee reached shall be by majority vote of the members present. All votes shall be cast in person and a quorum must be present. The presence of 25 members shall be required to constitute a quorum. The Committee shall give to the Secretary the same notice of meetings of the Committee as it gives to its members.

[48 FR 32976, July 20, 1983]

§ 989.39 Compensation and expenses.

The members and alternate members of the Committee shall serve without compensation, but shall be allowed their necessary expenses as approved by the Committee.

[54 FR 34137, Aug. 18, 1989]

RESEARCH AND DEVELOPMENT

§ 989.53 Research and development.

(a) *General.* The Committee, with the approval of the Secretary, may establish or provide for the establishment of projects involving production research, market research and development, marketing promotion including paid advertising, designed to assist, improve, or promote the production, marketing, distribution, and consumption of raisins in domestic and foreign markets. These projects may include, but need not be limited to those designed to:

(1) Improve through research the accuracy of raisin production estimates;

(2) Improve through research the preparation for market, sanitation, quality, condition, storability, processing, or packaging of raisins;

(3) Ascertain through research the factors affecting acceptance of raisins by manufacturers or consumers;

(4) Promote the marketing, distribution, or consumption of raisins in domestic and foreign markets by collecting data thereon, consulting with members of the trade, and making the information available to producers, handlers, and exporters; and

(5) Promote the marketing, distribution, or consumption of raisins in foreign markets through the use of merchandising programs.

(b) *Creditable expenditures.* The Committee, with the approval of the Secretary, may provide for crediting all or any portion of a handler's direct expenditures for marketing promotion, including paid advertising, that promotes the sale of raisins, raisin products, or their use. No handler shall receive credit for any allowable direct expenditures that would exceed the total of his assessment obligation which is attributable to that portion of his assessment designated for marketing promotion including paid advertising.

(c) *Criteria.* Before any project involving marketing promotion, including paid advertising, and the

crediting of the handler's pro rata expense assessment obligation of handlers is undertaken pursuant to this section, the Secretary after recommendation by the Committee, shall approve appropriate criteria to effectively regulate such activity.

[48 FR 32976, July 20, 1983, as amended at 83 FR 53969, Oct. 26, 2018]

MARKETING POLICY

§ 989.54 Marketing policy.

(a) *Marketing policy.* Each crop year, the Committee shall prepare and submit to the Secretary a report setting forth its recommended marketing policy, including quality regulations for the pending crop. In developing the marketing policy, the Committee may give consideration to the production,

harvesting, processing, and storage conditions of that crop, as well as the following factors:

(1) The estimated tonnage held by producers and handlers at the beginning of the crop year;

(2) The expected general quality and any modifications of the minimum grade standards;

(3) The estimated tonnage of standard and off-grade raisins which will be produced;

(4) An estimated desirable carryout at the end of the crop year;

(5) The estimated market demand for raisins, considering the estimated world raisin supply and demand situation;

(6) Current prices being received and the probable general level of prices to be received for raisins by producers and handlers;

(7) The trend and level of consumer income;

(8) Any prohibition of trade practices, pursuant to §989.62 intended for the crop year; and

(9) Any other pertinent factors bearing on the marketing of raisins including the estimated supply of and demand for other varietal types and regulations applicable thereto.

(b) *Modification.* In the event the Committee subsequently deems it advisable to modify its marketing policy on any crop, because of national emergency, crop failure, or other major change in economic conditions, it shall hold a meeting for that purpose, and file a report thereof with the Secretary within 5 days (exclusive of Saturdays, Sundays, and holidays) after the holding of such meeting, which report shall show such modification and the basis therefor.

(c) *Publicity.* The Committee shall promptly give reasonable publicity to producers, dehydrators, handlers, and the cooperative bargaining association(s) of each meeting to consider a marketing policy or any modification thereof, and each such meeting shall be open to them. Similar publicity shall be given to producers, dehydrators, handlers, and the cooperative bargaining association(s) of each marketing policy report or modification thereof, filed with the Secretary and of the Secretary's action thereon. Copies of all marketing policy reports shall be maintained in the office of the Committee, where they shall be made available for examination by any producer, dehydrator, handler, or cooperative bargaining association representative. The Committee shall notify handlers, dehydrators and the cooperative bargaining association(s), and give reasonable publicity to producers of its computation.

[48 FR 32976, July 20, 1983, as amended at 50 FR 1831, Jan. 14, 1985; 54 FR 24670, June 9, 1989; 83 FR 53969, Oct. 26, 2018]

§§ 989.55–989.56 [Reserved]

GRADE, QUALITY, AND CONDITION STANDARDS

§ 989.58 Natural condition raisins.

(a) *Regulation.* No handler shall acquire or receive natural condition raisins which fail to meet such minimum grade, quality, and condition standards as the Committee may establish, with the approval of the Secretary, in applicable rules and regulations: *Provided,* That a handler may receive raisins for inspection, may receive off-grade raisins for reconditioning and may receive or acquire off-grade raisins for use in eligible non-normal outlets: *And provided further,* That a handler may acquire natural condition raisins which exceed the tolerance established for maturity under a weight dockage system established pursuant to rules and regulations recommended by the Committee and approved by the Secretary. Nothing contained in this paragraph shall apply to the acquisition or receipt of natural condition raisins of a particular varietal type for which minimum grade, quality, and condition standards are not applicable or then in effect pursuant to this part.

(b) *Changes in minimum grade, quality, and condition standards for natural condition raisins.* The Committee may recommend to the Secretary changes in the minimum grade, quality, and condition standards for natural condition raisins of any varietal type and may recommend to the Secretary that minimum grade, quality, and condition standards for any varietal type be added to or deleted. The Committee shall submit with its recommendation

all data and information upon which it acted in making its recommendation, and such other information as the Secretary may request. The Secretary shall approve any such change if he finds, upon the basis of data submitted to him by the Committee or from other pertinent information available to him, that to do so would tend to effectuate the declared policy of the Act.

(c) *Publicity and notice.* The Committee shall give prompt and reasonable publicity to producer, dehydrators, and handlers of each recommendation submitted by it to the Secretary and of each regulation issued by the Secretary. Notice of such regulation shall be given to all handlers by registered or certified mail.

(d) *Inspection and certification.* (1) Each handler shall cause an inspection and certification to be made of all natural condition raisins acquired or received by him, except with respect to:

(i) An inter-plant or inter-handler transfer of off-grade raisins as described in paragraph (e)(2) of this section, unless such inspection and certification are required by rules and procedures made effective pursuant to this amended subpart;

(ii) An inter-plant or inter-handler transfer of standard raisins as described in § 989.59(e);

(iii) Raisins received from a dehydrator which have been previously inspected pursuant to paragraph (d)(2) of this section;

(iv) Any raisins for which minimum grade, quality, and condition standards are not then in effect;

(v) Raisins received from a cooperative bargaining association which have been inspected and are in compliance with requirements established pursuant to paragraph (d)(3) of this section; and

(vi) Any raisins, if permitted in accordance with such rules and procedures as the Committee may establish with the approval of the Secretary, acquired or received for disposition in eligible non-normal outlets. Except as otherwise provided in this section, prior to blending raisins, acquiring raisins, storing raisins, reconditioning raisins, or acquiring raisins which have been reconditioned, each handler shall obtain an inspection certification showing whether or not the raisins meet the applicable grade, quality, and condition standards: *Provided,* That the initial inspection for infestation shall not be required if the raisins are fumigated in accordance with such rules and procedures as the Committee shall establish with the approval of the Secretary. The handler shall submit or cause to be submitted to the Committee a copy of such certification, together with such other documents or records as the Committee may require. Such certification shall be issued by inspectors of the Specialty Crops Inspection Division of the U.S. Department of Agriculture, unless the Committee determines, and the Secretary concurs in such determination, that inspection by another agency would improve the administration of this amended subpart. The Committee may require that raisins held on memorandum receipt be re-inspected and certified as a condition for their acquisition by a handler.

(2) The Committee may, in accordance with rules and procedures established with the approval of the Secretary, authorize handlers to receive or acquire natural condition raisins which have been produced by any dehydrator by dehydrating grapes by artificial means and have been inspected and certified on his premises. In the event there shall have been compliance with Committee requirements, any handler who receives or acquires such inspected and certificated raisins shall be deemed to have satisfied the requirements contained in paragraph (d)(1) of this section with respect to inspection and certification of natural condition raisins received or acquired by him.

(3) The Committee may, in accordance with rules and the procedures established with the approval of the Secretary, authorize handlers to receive or acquire without further inspection and certification, natural condition raisins, standard or off-grade, which have been inspected, certified and held, in compliance with Committee requirements, at a receiving station of a cooperative bargaining association.

(e) *Off-grade raisins.* (1) Any natural condition raisins tendered to a handler

which fail to meet the applicable minimum grade, quality, and condition standards may:

(i) Be received or acquired by the handler for disposition, without further inspection, in eligible non-normal outlets;

(ii) Be returned unstemmed to the person tendering the raisins; or

(iii) Be received by the handler for reconditioning. Off-grade raisins received by a handler under any one of the three described categories may be changed to any other of the categories under such rules and procedures as the Committee, with the approval of the Secretary, shall establish. No handler shall ship or otherwise dispose of off-grade raisins which he does not return to the tenderer, transfer to another handler as provided in paragraph (e)(2) of this section, or recondition so that they at least meet the minimum standards prescribed in or pursuant to this amended subpart, except into eligible non-normal outlets.

(2) Off-grade raisins may be transferred from the plant of the handler where received to another plant of his or to that of another handler within the State of California under such rules and procedures as the Committee, with the approval of the Secretary, shall establish to safeguard the objectives of this part.

(3) Each handler shall, while holding any off-grade raisins, store them separate and apart from other raisins and the off-grade raisins shall be stored in accordance with disposition and reconditioning categories. The Committee with the approval of the Secretary may prescribe rules and procedures for the storage of the raisins.

(4) If the handler is to acquire the raisins after they are reconditioned, his obligation with respect to such raisins shall be based on the weight of the raisins (if stemmed, adjusted to natural condition weight) after they have been reconditioned.

(5) The Committee shall establish, with the approval of the Secretary, such additional rules and procedures as may be necessary to ensure adequate control of off-grade raisins, including, but not limited to, the reconditioning of off-grade raisins, the disposition and use of unsuccessfully reconditioned raisins, and the disposition and use of residual matter from reconditioning operations.

(f) *Blending.* No handler shall blend raisins except: (1) Incidental to reconditioning raisins as permitted under rules and procedures established by the Committee, with the approval of the Secretary; (2) blending standard raisins with standard raisins; or (3) blending raisins which meet the minimum grade standards for packed raisins with other raisins which meet such standards.

[25 FR 12813, Dec. 14, 1960, as amended at 29 FR 9483, July 11, 1964; 32 FR 12161, Aug. 24, 1967; 32 FR 18086, Dec. 19, 1967; 42 FR 37201, July 20, 1977; 83 FR 53969, 53973, Oct. 26, 2018; 88 FR 82236, Nov. 24, 2023]

§ 989.59 Regulation of the handling of raisins subsequent to their acquisition by handlers.

(a) *Regulation.* Unless otherwise provided in this part, no handler shall:

(1) Ship or otherwise make final disposition of natural condition raisins unless they at least meet the effective and applicable minimum grade, quality, and condition standards for natural condition raisins; or

(2) Ship or otherwise make final disposition of packed raisins unless they at least meet such minimum grade quality, and condition standards established by the Committee, with the approval of the Secretary, in applicable rules and regulations or as later changed or prescribed pursuant to the provisions of paragraph (b) of this section: *Provided*, That nothing contained in this paragraph shall prohibit the shipment or final disposition of any raisins of a particular varietal type for which minimum standards are not applicable or then in effect pursuant to this part. *And provided further*, That a handler may grind raisins, which do not meet the minimum grade, quality, and condition standards for packed raisins because of mechanical damage or sugaring, into a raisin paste. The Committee may establish, with approval of the Secretary, different grade, quality, and condition regulations for different markets.

(b) *Changes to minimum grade, quality, or condition standards.* The Committee may recommend changes in the minimum grade, quality, or condition

standards for packed raisins of any varietal type and may recommend to the Secretary that minimum grade, quality, or condition standards for any varietal type be added or deleted. The Committee shall submit with its recommendation all data and information upon which it acted in making its recommendation, and such other information as the Secretary may request. The Secretary shall approve any such change if he finds, upon the basis of data submitted to him by the Committee or from other pertinent information available to him, that to do so would tend to effectuate the declared policy of the Act.

(c) *Publicity and notice.* The Committee shall give prompt and reasonable notice to producers, dehydrators, handlers, and the cooperative bargaining association(s) of each recommendation submitted by it to the Secretary and of each regulation issued by the Secretary. Notice of such regulation shall be given to all handlers of record by registered or certified mail.

(d) *Inspection and certification.* Unless otherwise provided in this section, each handler shall, at his own expense, before shipping or otherwise making final disposition of raisins, cause an inspection to be made of such raisins to determine whether they meet the then applicable minimum grade, quality, and condition standards for natural condition raisins or the then applicable minimum standards for packed raisins. Such handler shall obtain a certificate that such raisins meet the aforementioned applicable minimum standards and shall submit or cause to be submitted to the Committee a copy of such certificate together with such other documents or records as the Committee may require. The certificate shall be issued by the Specialty Crops Inspection Division of the United States Department of Agriculture, unless the Committee determines, and the Secretary concurs in such determination, that inspection by another agency will improve the administration of this amended subpart. Any certificate issued pursuant to this paragraph shall be valid only for such period of time as the Committee may specify, with the approval of the Secretary, in appropriate rules and regulations.

(e) *Inter-plant and inter-handler transfers.* Any handler may transfer from his plant to his own or another handler's plant within the State of California any raisins without having had such raisins inspected as provided in paragraph (d) of this section. The transferring handler shall transmit promptly to the Committee a report of such transfer, except that transfers between plants owned or operated by the same handler need not be reported. Before shipping or otherwise making final disposition of such raisins, the receiving handler shall comply with the requirements of this section.

(f) *Disposition of off-grade raisins, other failing raisins, and raisin residual material in eligible non-normal outlets.* Any off-grade raisins, except those returned unstemmed to the tenderer or successfully reconditioned, and any raisin residual material which may be received or acquired by a handler or accumulated by a handler from reconditioning raisins or from processing standard raisins and other failing raisins, shall be disposed of or marketed by the handler, without further inspection, in eligible non-normal outlets: *Provided,* That no packer shall be precluded from recovering raisins from such accumulations or acquisitions: *Provided further,* That whenever the Secretary concludes, on the basis of a recommendation of the Committee, that to specify one or more non-normal outlets as ineligible for any class of such receipts, acquisitions, or accumulations will tend to effectuate the declared policy of the act, he shall specify such ineligible outlets and prohibit the shipment thereto or final disposition therein of such class by handlers as well as the receipt and use thereof by processors: *And provided further,* That no processor who is a distiller shall be precluded from receiving or using for distillation (1) the standard raisins which subsequently fail to meet the said applicable standards, (2) the raisin residual material accumulated from processing standard raisins, or (3) the raisin residual material referable to the standard raisin equivalent recovered in reconditioning; and any

handler may ship such raisins and raisin residual material to such processor. The Committee shall establish, with the approval of the Secretary, such rules and procedures as may be necessary to insure adequate control over the off-grade raisins, other failing raisins, and raisin residual material subject to this paragraph. Such rules may include a requirement that the disposition and use of all or any class of off-grade raisins, other failing raisins, or raisin residual material be confined to the area. The provisions of this paragraph are not intended to excuse any failure to comply with all applicable food and sanitary rules and regulations of city, county, State, Federal, or other agencies having jurisdiction.

(g) *Exemption of experimental and specialty packs.* The Committee may establish, with the approval of the Secretary, rules and procedures providing for the exemption of raisins in experimental and specialty packs from one or more of the requirements of the minimum grade, quality, or condition standards of this section, together with the inspection and certification requirements if applicable.

[25 FR 12813, Dec. 14, 1960, as amended at 32 FR 12161, Aug. 24, 1967; 37 FR 19622, Sept. 21, 1972; 42 FR 37202, July 20, 1977; 83 FR 53970, 53973, Oct. 26, 2018]

§ 989.60 Exemption.

(a) Notwithstanding any other provisions of this amended subpart, the Committee may establish, with the approval of the Secretary, such rules and procedures as may be necessary to permit the acquisition and disposition of any off-grade raisins, free from any or all regulations, for uses in non-normal outlets.

(b) The Committee may establish, with the approval of the Secretary, such rules and procedures as may be necessary to exempt from any or all regulations raisins produced in southern California (i.e., the counties of Riverside, Imperial, San Bernardino, Ventura, Orange, Los Angeles, and San Diego) and disposed of for distillation, livestock feed, or by export in natural condition to Mexico.

(c) The Committee may designate such raisins as it deems appropriate for production, processing, and marketing research and development. The period of such designation shall be for not more than five years unless extended by the Committee. The volume which may be acquired by all handlers shall not exceed 500 natural condition tons annually for each designated project, unless increased by the Secretary upon a recommendation of the Committee. Such designated raisins may be acquired and disposed of free from those regulations specified by the Committee. In any crop year, when the total industry acquisitions of the designated raisins exceed 500 natural condition tons or a larger quantity approved by the Secretary upon a recommendation of the Committee, the exemption shall not apply.

[29 FR 9484, July 11, 1964, as amended at 32 FR 18086, Dec. 19, 1967; 37 FR 19623, Sept. 21, 1972; 42 FR 37202, July 20, 1977; 83 FR 53971, Oct. 26, 2018]

§ 989.61 Above parity situations.

The provisions of this part relating to minimum grade, quality, and condition standards and inspection requirements, within the meaning of section 2(3) of the Act, and any other provisions pertaining to the administration and enforcement of the Order, shall continue in effect irrespective of whether the estimated season average price to producers for raisins is in excess of the parity level specified in section 2(1) of the Act.

[83 FR 53971, Oct. 26, 2018]

TRADE PRACTICES

§ 989.62 Authorization for prohibition of trade practices.

Whenever the Secretary finds, upon recommendation of the Committee or other information, that continuance of certain practices in trade channels would tend to interfere with the achieving of the objectives of this part, he may prohibit handlers from using such practices, for any crop year or portion thereof, in selling raisins in containers exceeding four pounds net weight. The prohibited practices may include:

(a) Any provision within or added to a sales contract, or action or agreement outside such contract, whereby

the handler is obligated to reflect declines in market prices of raisins by charging the buyer a subsequent market price in lieu of the sales price specified in the contract.

(b)(1) Any agreement in an undertaking to hold raisins in reserve for possible future delivery to a buyer, or action or agreement outside such undertaking, whereby the handler is obligated to not reflect increases in market prices by charging the buyer a price specified in the agreement.

(2) Prior to any such practices being prohibited in any crop year, the Committee shall recommend, for the approval of the Secretary, such rules and procedures and such record keeping requirements as are necessary to administer these prohibitions and obtain compliance therewith.

25 FR 12813, Dec. 14, 1960; 27 FR 2506, Mar. 16, 1962, as amended at 84 FR 30863, June 28, 2019]

§§ 989.65–989.72 [Reserved]

REPORTS AND RECORDS

§ 989.73 Reports.

(a) *Inventory reports.* Each handler shall, upon request of the Committee, file promptly with the Committee a certified report, showing such information as the Committee shall specify with respect to any raisins which were held by him on a date designated by the Committee, which information as specified may include, but not be limited to:

(1) The quantity of any raisins so held, segregated as to varietal type, natural condition, packed, standard quality or off-grade quality; and

(2) The locations of the raisins.

(b) *Acquisition reports.* Each handler shall submit to the Committee in accordance with such rules and procedures as are prescribed by the Committee, with the approval of the Secretary, certified reports, for such periods as the Committee may require, with respect to his acquisitions of each varietal type of raisins during the particular period covered by such report, which report shall include, but not be limited to:

(1) The total quantity of standard raisins acquired;

(2) The total quantity of off-grade raisins acquired pursuant to § 989.58(e)(1)(i); and

(3) Cumulative totals of such acquisitions from the beginning of the then current crop year to and including the end of the period for which the report is made. Upon written application made to the Committee, a handler may be relieved of submitting such reports after completing his packing operations for the season. Upon request of the Committee, each handler shall furnish to the Committee, in such manner and at such times as it may require, the name and address of each person from whom he acquired raisins and the quantity of each varietal type of raisins acquired from each such person.

(c) Each handler shall file such reports of creditable promotion including paid advertising as recommended by the Committee and approved by the Secretary.

(d) *Other reports.* Upon the request of the Committee, with the approval of the Secretary, each handler shall furnish to the Committee such other information as may be necessary to enable it to exercise its powers and perform its duties under this amended part.

[25 FR 12813, Dec. 14, 1960, as amended at 32 FR 12164, Aug. 24, 1967; 32 FR 18086, Dec. 19, 1967; 48 FR 32978, July 20, 1983; 83 FR 53971, Oct. 26, 2018]

§ 989.75 Confidential information.

All reports and records furnished or submitted by a handler to the Committee shall be received by, and at all times kept under the custody or control of, one or more employees of the Committee, who shall disclose to no person, except the Secretary upon request therefor, data or information obtained or extracted therefrom which would constitute a trade secret or the disclosure of which might affect the trade position, financial condition, or business operations of the particular handler from whom received: *Provided,* That the Committee may require such an employee to disclose to it, or to any person designated by it or by the Secretary, information and data of a general nature, compilations of data affecting handlers as a group, and any data affecting one or more handlers, so

long as the identity of the individual handlers involved is not disclosed.

§ 989.76 Records.

Each handler shall maintain such records of all raisins received, and of all raisins acquired, by him as prescribed by the Committee. Such records shall include, but not be limited to, the quantity of raisins of each varietal type acquired from each person and the name and address of each such person, total acquisitions, total sales, and total other disposition of each varietal type which he handles, and each handler shall maintain such records for at least two years after the termination of the crop year in which the transactions occurred. The Committee, with the approval of the Secretary, may prescribe rules and regulations to include under this section handler records that detail promotion and advertising activities which the Committee may need to perform its functions under § 989.53.

[25 FR 12813, Dec. 14, 1960, as amended at 48 FR 32978, July 20, 1983]

§ 989.77 Verification of reports and records.

For the purpose of checking and verifying reports filed by handlers and records prescribed in or pursuant to this amended subpart, the Committee, through its duly authorized representatives, shall have access to any handler's premises during regular business hours and shall be permitted at any such times to inspect such premises and any raisins held by such handler, and any and all records of the handler with respect to the holding or disposition of raisins by him and promotion and advertising activities conducted by handlers under § 989.53. Each handler shall furnish all labor and equipment necessary to make such inspections. Each handler shall store raisins in a manner which will facilitate inspection, and shall maintain storage records which will permit accurate identification of raisins held by him or theretofore disposed of. Insofar as is practicable and consistent with the carrying out of the provisions of this amended subpart, all data and information obtained or received through checking and verification of reports and records shall be treated as confidential information.

[25 FR 12813, Dec. 14, 1960, as amended at 48 FR 32978, July 20, 1983]

Expenses and Assessments

§ 989.79 Expenses.

The Committee is authorized to incur such expenses as the Secretary finds are reasonable and likely to be incurred by it during each crop year, for the maintenance and functioning of the Committee and for such purposes as he may, pursuant to this subpart, determine to be appropriate. The funds to cover such expenses shall be obtained levying assessments as provided in § 989.80. The Committee shall file with the Secretary for each crop year a proposed budget of these expenses and a proposal as to the assessment rate to be fixed pursuant to § 989.80, together with a report thereon. Such filing shall be not later than October 5 of the crop year, but this date may be extended by the Committee not more than 5 days if warranted by a late crop.

[83 FR 53971, Oct. 26, 2018]

§ 989.80 Assessments.

(a) Each handler shall pay to the Committee, upon demand, his pro rata share of the expenses which the Secretary finds will be incurred, as aforesaid, by the Committee during each crop year less any amounts credited pursuant to § 989.53. Such handler's pro rata share of such expenses shall be equal to the ratio between the total raisin tonnage acquired by such handler during the applicable crop year and the total raisin tonnage acquired by all handlers during the same crop year.

(b) Each handler who reconditions off-grade raisins but does not acquire the standard raisins recovered therefrom shall, with respect to his assessable portion of all such standard raisins, pay to the Committee, upon demand, his pro rata share of the expenses which the Secretary finds will be incurred by the Committee each crop year. Such handler's pro rata share of such expenses shall be equal to the ratio between the handler's assessable portion (which shall be a quantity

equal to such handler's standard raisins which are acquired by some other handler or handlers) during the applicable crop year and the total raisin tonnage acquired by all handlers.

(c) The Secretary shall fix the rate of assessment to be paid by all handlers on the basis of a specified rate per ton. At any time during or after a crop year, the Secretary may increase the rate of assessment to obtain sufficient funds to cover any later finding by the Secretary relative to the expenses of the committee. Each handler shall pay such additional assessment to the committee upon demand. In order to provide funds to carry out the functions of the committee, the committee may accept advance payments from any handler to be credited toward such assessments as may be levied pursuant to this section against such handler during the crop year. In the event cash flow needs of the committee are above cash available generated by handler assessments, the committee may borrow from a commercial lending institution. The payment of assessments for the maintenance and functioning of the committee, and for such purposes as the Secretary may pursuant to this subpart determine to be appropriate, may be required under this part throughout the period it is in effect, irrespective of whether particular provisions thereof are suspended or become inoperative.

(d) Each handler shall, with respect to administrative assessments not paid within 30 calendar days of the date of the Committee's invoice, pay to the Committee interest on the unpaid assessment at the rate of the prime rate established by the bank in which the Committee has its administrative assessment funds deposited, on the day that the administrative assessment becomes delinquent plus 2 percent; and further, that such rate of interest be added to the bill monthly until the delinquent handler's assessment plus applicable interest has been paid: *Provided*, That the Committee may, with the approval of the Secretary, modify the interest rate applicable to delinquent handler's assessment through the establishment of applicable rules and regulations.

[29 FR 9484, July 11, 1964, as amended at 32 FR 12165, Aug. 24, 1967; 42 FR 37202, July 20, 1977; 48 FR 32978, July 20, 1983; 81 FR 44764, July 11, 2016; 83 FR 53971, Oct. 26, 2018; 86 FR 26438, May 14, 2021]

§ 989.81 Accounting.

(a) If, at the end of the crop year, the assessments collected are in excess of expenses incurred, such excess shall be accounted for in accordance with one of the following:

(1) If such excess is not retained in a reserve, as provided in paragraph (a)(2) of this section, it shall be refunded proportionately to the persons from whom collected in accordance with § 989.80; *Provided*, That any sum paid by a person in excess of his or her pro rata share of expenses during any crop year may be applied by the Committee at the end of such crop year as credit for such person, toward the Committee's administrative operations for the following crop year; *Provided further*, That the Committee may credit the excess to any outstanding obligations due the Committee from such person.

(2) The Committee may carry over such excess funds into subsequent crop years as a reserve; *Provided*, That funds already in the reserve do not exceed one crop year's budgeted expenses as averaged over the past six years. In the event that funds exceed one crop year's expenses, funds in excess of one crop year's budgeted expenses shall be distributed in accordance with paragraph (a)(1) of this section. Such funds may be used:

(i) To defray essential administrative expenses (*i.e.*, staff wages/salaries and related benefits, office rent, utilities, postage, insurance, legal expenses, audit costs, consulting, Web site operation and maintenance, office supplies, repairs and maintenance, equipment leases, domestic staff travel and Committee mileage reimbursement, international Committee travel, international staff travel, bank charges, computer software and programming, costs of compliance activities, and other similar essential administrative expenses) exclusive of promotional expenses during any crop year, prior to

the time assessment income is sufficient to cover such expenses;

(ii) To cover deficits incurred during any period when assessment income is less than expenses;

(iii) To defray expenses incurred during any period when any or all provisions of this part are suspended;

(iv) To meet any other such expenses recommended by the Committee and approved by the Secretary; and

(v) To cover the necessary expenses of liquidation in the event of termination of this part. Upon such termination, any funds not required to defray the necessary expenses of liquidation shall be disposed of in such manner as the Secretary may determine to be appropriate; Provided, That to the extent practicable, such funds shall be returned pro rata to the persons from whom such funds were collected.

(b) The Committee may, with the approval of the Secretary, maintain in its own name or in the name of its members, a suit against any handler for the collection of such handler's pro rata share of the expenses.

[25 FR 12813, Dec. 14, 1960; 27 FR 2506, Mar. 16, 1962, as amended at 81 FR 44764, July 11, 2016]

§ 989.82 [Reserved]

§ 989.83 Funds.

All funds received by the Committee pursuant to the provisions of this part, shall be used solely for the purposes authorized, and shall be accounted for in the manner provided, in this part. The Secretary may, at any time, require the Committee and its members and alternate members to account for all receipts and disbursements.

MISCELLANEOUS PROVISIONS

§ 989.84 Disposition limitation.

No handler shall dispose of standard raisins, off-grade raisins, or other failing raisins, except in accordance with the provisions of this subpart or pursuant to regulations issued by the Committee.

[83 FR 53972, Oct. 26, 2018]

§ 989.85 Personal liability.

No member or alternate member of the Committee or any employee or agent thereof shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any handler or any person, for errors in judgment, mistakes, or other acts either of commission or omission, as such member, alternate member, employee, or agent, except for acts of dishonesty.

[41 FR 32417, Aug. 3, 1976, as amended at 48 FR 32978, July 20, 1983]

§ 989.86 Separability.

If any provision of this amended subpart is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this amended subpart or the applicability thereof to any other person, circumstance, or thing shall not be affected thereby.

§ 989.87 Derogation.

Nothing contained in this amended subpart is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 989.88 Duration of immunities.

The benefits, privileges, and immunities conferred upon any person by virtue of this amended subpart shall cease upon the termination of this amended subpart, except with respect to acts done under and during the existence of this subpart.

§ 989.89 Agents.

The Secretary may, by a designation in writing, name any person, including any officer or employee of the United States Government, or name any bureau or division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this amended subpart.

§ 989.90 Effective time.

The provisions of this amended subpart, as well as any amendments to this amended subpart shall become effective at such time as the Secretary

may declare, and shall continue in force until terminated, or during suspension, in one of the ways specified in § 989.91.

§ 989.91 Suspension or termination.

(a) The Secretary may, at any time, terminate the provisions of this amended subpart by giving at least one day's notice by means of a press release or in any other manner which he may determine.

(b) The Secretary shall terminate or suspend the operation of any or all of the provisions of this amended subpart, whenever he finds that such provisions do not tend to effectuate the declared policy of the act.

(c) No less than five crop years and no later than six crop years after the effective date of this amendment, the Secretary shall conduct a referendum to ascertain whether continuance of this part is favored by producers. Subsequent referenda to ascertain continuance shall be conducted every six crop years thereafter. The Secretary may terminate the provisions of this part at the end of any crop year in which the Secretary has found that continuance of this part is not favored by a two-thirds majority of voting producers, or a two-thirds majority of volume represented thereby, who, during a representative period determined by the Secretary, have been engaged in the production for market of grapes used in the production of raisins in the State of California. Such termination shall be announced on or before the end of the crop year.

(d) The Secretary shall terminate the provisions of this amended subpart at the end of any crop year whenever he finds that such termination is favored by a majority of the producers who, during a representative period determined by the Secretary, have been engaged in the production for market of grapes used in the production of raisins in the State of California: *Provided,* That such majority have, during such representative period, produced for market more than 50 percent of the volume of such grapes produced for market within said State; but such termination shall be effective only if announced before July 31 of the then current crop year.

(e) The provisions of this amended subpart shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

[25 FR 12813, Dec. 14, 1960, as amended at 41 FR 32417, Aug. 3, 1976; 83 FR 53972, Oct. 26, 2018]

EFFECTIVE DATE NOTE: At 88 FR 71275, Oct. 16, 2023, paragraph (c) in § 989.91 was stayed effective Oct. 16, 2023 through Nov. 26, 2029.

§ 989.92 Proceedings after termination.

(a) Upon the termination of the provisions of this amended subpart, the members of the Committee then functioning shall continue as joint trustees for the purpose of liquidating the affairs of the Committee, of all funds and property then in the possession or under the control of the Committee, including claims for any funds unpaid or property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of the said trustees.

(b) Said trustees shall continue in such capacity until discharged by the Secretary; shall, from time to time, account for all receipts and disbursements and deliver all property on hand, together with all books and records of the Committee and the joint trustees, to such person as the Secretary may direct; and shall, upon the request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the Committee or the joint trustees pursuant to this subpart.

(c) Any person to whom funds, property or claims have been transferred or delivered by the Committee or its members, pursuant to this section, shall be subject to the same obligations imposed upon the members of the said Committee and upon said joint trustees.

§ 989.93 Effect of termination or amendment.

Unless otherwise expressly provided by the Secretary, the termination of this amended subpart or any regulation

issued pursuant to this amended subpart, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision of this amended subpart or any regulation issued under this amended subpart, (b) release or extinguish any violation of this amended subpart, or of any regulation issued under this amended subpart, or (c) affect or impair any rights or remedies of the Secretary or of any other person, with respect to any such violation.

§ 989.94 Amendments.

Amendments to this amended subpart may be proposed from time to time, by any person or by the Committee.

§ 989.95 Right of Secretary.

The members of the Committee (including alternates and successors) and any agent or employee appointed or employed by the Committee, shall be subject to removal or suspension by the Secretary, in his discretion, at any time. Every decision, determination, or other act of the Committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the Committee shall be deemed null and void.

[41 FR 32417, Aug. 3, 1976, as amended at 48 FR 32978, July 20, 1983]

§ 989.96 Storage of raisins held on memorandum receipt and of packer-owned tonnage.

All raisins stored by a handler for another person on memorandum or warehouse receipt, or raisins produced and stored by a handler, shall be stored separate and apart from other raisins and shall be clearly marked or tagged as raisins stored on memorandum or warehouse receipt or as raisins produced by the handler but not acquired by him in his capacity as a handler.

[25 FR 12813, Dec. 14, 1960. Redesignated at 83 FR 53971, Oct. 26, 2018]

Subpart B—Administrative Requirements

SOURCE: 27 FR 3112, Mar. 31, 1962, unless otherwise noted.

DEFINITIONS

§ 989.102 Inspection service.

Inspection service means the Specialty Crops Inspection Division, Agricultural Marketing Service of the United States Department of Agriculture.

[49 FR 18730, May 2, 1984, as amended at 83 FR 53973, Oct. 26, 2018]

§ 989.104 Lot.

(a) *Natural condition raisins*—(1) *Basic definition.* For the purpose of incoming and outgoing inspection of natural condition raisins, *lot* means, except as otherwise provided in this paragraph, the quantity of such raisins of the same varietal type or of differing varietal types when commingled within their containers (including sweat and picking boxes and bins), which does not exceed a car, truck, or truck-trailer load, and which is submitted for inspection at one time and in the same place.

(2) *Separation of large units.* If a quantity of raisins in excess of a car, truck, or truck-trailer load is submitted for inspection, the total quantity may, at the discretion of the inspector, be separated into such readily identifiable portions, either prior to or in the course of inspection, as can be conveniently and properly inspected, and each such portion shall constitute a lot.

(3) *Resubmission after reconditioning.* Raisins which are submitted for inspection after reconditioning (such as sorting or drying) and whose original lot identity is no longer applicable, shall be a new lot.

(4) *Meeting and failing portions.* Where a portion of a quantity of raisins submitted for inspection meets the minimum grade and condition standards and has been separated from the remainder of the raisins failing to meet such standards:

(i) The meeting portion shall be one lot; and

(ii) The remainder shall be one or more lots as necessary to cause each lot to contain either (*a*) a single defect

in excess of tolerance or (*b*) two or more of the same defects in excess of tolerance occurring together within each of the individual containers.

(5) *Entire quantity failing.* Where the entire quantity of raisins submitted for inspection fails to meet such standards, then, whether such quantity shall be one or more lots shall be determined in the same manner as for the failing remainder referred to in paragraph (a)(4) of this section.

(6) *Special condition.* Notwithstanding other provisions of this section, any quantity of raisins failing to meet such standards and which are not to be reconditioned may be a single lot.

(b) *Packed raisins.* For the purpose of outgoing inspection of packed raisins, lot means: (1) For in-line inspection (i.e., where samples are drawn from a flow of raisins prior to packaging), the aggregate quantity of raisins of the same varietal type, subtype, or size (or in their mixed form), processed in any continuous production of one calendar day and packaged in one size and style of package but excluding those rejected by inspection; and (2) for floor inspection (i.e., where samples are drawn from containers of raisins), the aggregate quantity of such raisins in like containers but not necessarily processed in one continuous production or during one calendar day, identifiable and offered for inspection as a lot.

§ 989.105 Inspection point.

Inspection point means any plant or receiving station of a handler, or any other place where raisins are received by a handler, and which is so designated by the Committee. The inspection point(s) of the handler shall include any area(s) in which he receives grapes or raisins for dehydration unless he keeps his raisin dehydration business separate, physically and by records, from his business of handling raisins.

[31 FR 16305, Dec. 21, 1966]

§ 989.106 Ship.

Ship means the physical movement of raisins other than to storage for the handler's account within the general locality of the packing plant.

§ 989.107 Inspection certificate.

Inspection certificate means any written certification, finding, or attestation as to the quality or condition of any lot or lots issued by an authorized member of the inspection service.

§ 989.110 Varietal types.

Pursuant to § 989.10, specific definitions for each varietal type of raisins contained in that section are as follows:

(a) Natural (sun-dried) Seedless includes all sun-dried seedless raisins possessing similar identifiable characteristics as raisins produced from Thompson Seedless grapes or similar grape varieties, whether dried on trays or on the vine, with or without the application of a drying agent that is a food-grade additive such as, soda, oil, Ethyl Oleate, or Methyl Oleate prior to, during, or after the drying process.

(b) Dipped Seedless includes all raisins produced by artificial dehydration of seedless grapes that possess the characteristics similar to Thompson Seedless grapes which, in order to expedite drying, have been dipped in or sprayed with water only after such grapes have been removed from the vine.

(c) Golden Seedless includes all seedless raisins whose color generally varies from golden yellow to dark amber.

(d) Muscats (including other raisins with seeds) include all raisins which usually contain seeds and possess characteristics similar to Muscat raisins.

(e) Sultana includes all raisins which usually contain an undeveloped (vestigial) seed and possess characteristics similar to Sultana raisins.

(f) Zante Currant includes all raisins that possess characteristics similar to those produced from Black Corinth or White Corinth grapes.

(g) Monukka includes all raisins produced from Monukka grapes.

(h) Other Seedless includes all raisins produced from Ruby Seedless, Kings Ruby Seedless, Flame Seedless and other seedless grapes not included in any of the varietal categories for Seedless raisins defined in paragraphs (a), (b), (c), (d) or (h) above.

(i) Other Seedless-Sulfured includes all raisins produced from Ruby Seedless, Kings Ruby Seedless, Flame Seedless and other seedless grapes not included in any of the varietal categories for Seedless raisins defined in paragraphs (a), (b), (c), (d), (h), or (i) of this section which have been artificially dehydrated and sulfured.

[49 FR 18730, May 2, 1984, as amended at 53 FR 34714, Sept. 8, 1988; 55 FR 32598, Aug. 10, 1990; 67 FR 36792, May 28, 2002; 68 FR 42947, July 21, 2003]

§ 989.111 Independent producer and small cooperative producer.

(a) *Independent producer* means any producer who is not a member of a cooperative bargaining association or a cooperative marketing association, nor has sold for cash to a cooperative marketing association.

(b) *Small cooperative producer* means any producer who is a member of a cooperative marketing association which acquired less than 10 percent of total raisin acquisitions during the crop year preceding the year in which nominations are held.

[49 FR 18730, May 2, 1984]

§ 989.115 Independent handler, major cooperative marketing association handler, and small cooperative marketing association handler.

(a) *Independent handler* means any handler who is not a cooperative marketing association of producers.

(b) *Major cooperative marketing association handler* means any handler who is a cooperative marketing association of producers which acquired not less than 10 percent of the total raisin acquisitions during the crop year preceding nominations.

(c) *Small cooperative marketing association handler* means any handler who is a cooperative marketing association of producers which acquired less than 10 percent of the total raisin acquisitions during the crop year preceding nominations.

[49 FR 18730, May 2, 1984]

RAISIN ADMINISTRATIVE COMMITTEE

§ 989.122 Districts for independent and small cooperative producer representation on the Committee.

For the purposes of § 989.26(c) and commencing with the term of office beginning May 1, 1984, independent and small cooperative producer districts are as follows:

(a) *District No. 1.* All of the counties north of Fresno County.

(b) *District No. 2.* All of the counties south of Fresno County.

(c) *District No. 3* All of Fresno County.

[49 FR 18730, May 2, 1984]

§ 989.126 Representation of the Committee.

(a) To provide independent and small cooperative producers equitable representation throughout the production area commencing with the term of office beginning May 1, 1984, representation shall be apportioned among the three districts specified in § 989.122. Districts 1 and 2 shall each have one producer member, and District 3 shall have the remaining producer members to which independent and small cooperative producers are entitled pursuant to § 989.26(c).

(b) Pursuant to section 989.26(d) and commencing with the term of office beginning May 1, 1994, apportionment of the independent and small cooperative marketing association handlers shall be:

(1) Two members selected from and representing the four handler(s) other than major cooperative marketing association handler(s) who acquired the largest percentage of the total raisin acquisitions during the preceding crop year;

(2) Three members selected from and representing the six handlers other than major cooperative marketing association handler(s) who acquired the next largest percentage of the total raisin acquisitions during the preceding crop year; and

(3) The remaining member(s) selected from and representing all other handlers, including small cooperative marketing association handler(s) and all processors.

[49 FR 18730, May 2, 1984, as amended at 59 FR 27226, May 26, 1994]

§ 989.129 Voting at nomination meetings.

Any person (defined in § 989.3 as an individual, partnership, corporation, association, or any other business unit) who is engaged, in a proprietary capacity, in the production of grapes which are sun-dried or dehydrated by artificial means to produce raisins and who qualifies under the provisions of § 989.29(b)(2) shall be eligible to cast one ballot for a nominee for each producer member position and one ballot for a nominee for each producer alternate member position on the committee which is to be filled for his district. Such person must be the one who or which: Owns and farms land resulting in his or its ownership of such grapes produced thereon; rents and farms land, resulting in his or its ownership of all or a portion of such grapes produced thereon; or owns land which he or it does not farm and, as rental for such land, obtains the ownership of a portion of such grapes or the raisins. In this connection, a partnership shall be deemed to include two or more persons (including a husband and wife) with respect to land the title to which, or leasehold interest in which, is vested in them as tenants in common, joint tenants, or under community property laws, as community property. In a landlord-tenant relationship, wherein each of the parties is a producer, each such producer shall be entitled to one vote for a nominee for each producer member position and one vote for each producer alternate member position. Hence, where two persons operate land as landlord and tenant on a share-crop basis, each person is entitled to one vote for each such position to be filled. Where land is leased on a cash rental basis, only the person who is the tenant or cash renter (producer) is entitled to vote. A partnership or corporation, when eligible, is entitled to cast only one vote for a nominee for each producer position to be filled in its district.

[83 FR 53972, Oct. 26, 2018]

§ 989.139 Compensation for attendance of alternates at Committee meetings.

Whenever a member of the Raisin Administrative Committee has reason to believe that he will be unable to attend a Committee meeting and has so notified his alternate or the Committee manager, such notification or a request from the manager shall be held to be a request for the alternate to attend and he shall be reimbursed for reasonable expenses subject to the limitations contained in § 989.39.

[42 FR 52376, Sept. 30, 1977, as amended at 49 FR 18731, May 2, 1984]

§§ 989.154–989.156 [Reserved]

QUALITY CONTROL

§ 989.157 Raisins produced from grapes grown outside of California.

(a) Any raisins produced from grapes grown outside the State of California that are received by a handler shall be observed and marked for identification by an inspector. As provided in § 989.173(b)(7), the inspection service may request information needed to properly mark such raisins for identification; it shall be the handler's responsibility to arrange for such identification and furnish required documentation promptly.

(b) In the absence of an inspector to observe and mark such raisins for identification, the handler shall not permit the unloading to occur unless the handler has a written statement from the inspection service that an inspector cannot be furnished within a reasonable time: *Provided*, That raisins so unloaded shall be observed and marked properly upon an inspector being available.

(c) The handler shall notify the inspection service in writing at least one business day in advance of the time such handler plans to begin receiving raisins produced from grapes grown outside the State of California, unless a shorter period is acceptable to the inspection service.

(d) Raisins produced from grapes grown outside of the State of California and received by a handler shall be marked for identification by the inspector affixing to one container on each pallet or to each bin in each lot a prenumbered RAC control card (to be furnished by the Committee) which shall remain affixed until the raisins

are processed and disposed of or disposed of as natural condition raisins. The cards shall be removed only by an inspector of the inspection service or authorized Committee personnel.

(e) Each handler shall store raisins produced from grapes grown outside the State of California separate and apart from all other raisins held by such handler to the satisfaction of the Committee. Storage of such raisins shall be deemed ''separate and apart'' if the containers are marked as raisins produced from grapes grown outside the State of California and placed so as to be readily and clearly identified.

(f) Any raisins received by a handler produced from grapes grown outside the State of California shall be processed and/or disposed of under the surveillance of the inspection service. The handler shall notify the inspection service in writing at least one business day in advance of the time such processing and/or disposition will occur, unless a shorter period is acceptable to the inspection service.

(g) The handler receiving raisins produced from grapes grown outside of California shall pay fees assessed by the inspection service to identify and maintain surveillance of such raisins.

[55 FR 28019, July 9, 1990]

§ 989.158 Natural condition raisins.

(a) *Incoming inspection.* (1)(i) The Committee shall, upon request of a handler who complies with the requirements of this part with respect to inspection points, designate as his inspection point any place (including his plant or receiving station) where the handler receives raisins.

(ii) Each handler shall, at his expense, provide at each of his inspection points reasonably safe and adequate facilities for receiving raisins, drawing samples, and efficient inspection of natural condition raisins. At the time of inspection of any lot, the handler shall, at his expense, provide the inspector with any assistance necessary in the inspection of the raisins, including the movement of individual containers. Each handler, other than a processor, shall maintain with the Committee a current written description, defining the boundaries and other pertinent details, of each of his inspection points. In the event the Committee determines that any inspection point, or any modification thereof, does not comply with the definition or the requirements of this part, it shall notify the handler of the changes necessary for compliance. The handler shall make such changes promptly. In the event any of his inspection points is the same as that of another handler or person receiving raisins or grapes in any form, the handler shall maintain his raisins separate and apart from any other raisins.

(iii) The weight of each lot of raisins tendered for receiving, storage, reconditioning, acquisition, or disposition shall be substantiated by an official ''State Certificate of Weights and Measures'' issued by a public weighmaster, whether located at the inspection point or otherwise, or such other document approved by the Committee which accurately reflects the weight of each lot tendered. The net weight of such raisins for the purposes of this part, shall be determined by deducting the sand tare and box tare from the gross weight of the raisins. The sand tare shall be the weight of the sand and other foreign material removed from the raisins by passing the raisins over a screen (of a type commonly used by the industry for such purpose) having 36 square openings to the square inch, with each opening being one-eighth of an inch square.

(2) No handler, other than a processor, shall receive at points other than at an inspection point, natural condition raisins from a tenderer, either for acquisition, storage, reconditioning, inspection, or for disposition in eligible non-normal outlets: *Provided*, That this requirement shall not preclude a handler from dehydrating, free from the provisions of this part, at separate dehydrating facilities recognized in § 989.105 and located in California, raisins not delivered to an inspection point. Any handler who accepts raisins at an inspection point for drying or other reconditioning shall be deemed to have received the raisins for reconditioning and shall be subject to the provisions of this part with respect to such raisins.

(3) For each lot of natural condition raisins received by a handler for acquisition, reconditioning, storage, inspection, or for disposition in eligible non-normal outlets, the handler shall, immediately upon physical receipt and tentative acceptance thereof, issue a prenumbered (numbered serially in advance) door receipt or weight certificate showing the name and address of the tenderer, the weight of the lot, the number and type of containers in the lot, and any other information necessary to identify the lot. For the purposes of identifying incoming lots of raisins, other than dehydrated raisins covered by paragraph (e) of this section, a handler, if it is impracticable for him to issue immediately a door receipt or weight certificate, may issue for temporary use only a prenumbered ''Request for USDA Inspection'' on a form furnished by the Committee. Any such raisins so received by a handler shall, prior to their acceptance, be inspected at an inspection point during the unloading process, and if certified as standard raisins shall be, unless returned to the tenderer, either promptly acquired by the handler or received for storage on memorandum receipt: *Provided*, That in the absence of an inspector to perform inspection during unloading, the handler shall not permit unloading to occur unless such absence is during normal business hours and the handler has a written statement from the inspection service to the effect that inspection cannot be furnished within a reasonable time: *And provided further*, That the raisins so unloaded shall be inspected promptly upon an inspector being available. It shall be the handler's responsibility in any case to arrange for the inspection, other than with respect to dehydrated raisins covered by paragraph (e) of this section, and furnish weight certificates promptly. Any raisins received by a handler as off-grade for disposition in eligible non-normal outlets or for reconditioning may be accepted uninspected: *Provided*, That an application for receiving such uninspected raisins shall be submitted by the handler, on a form furnished by the Committee, to the Inspection Service prior to, or upon physical receipt of, such off-grade raisins. Such form shall provide for at least the name and address of the tenderer (equity holder), date, number, and type of containers, net weight of the raisins, and the particular defect(s) the handler indicates would cause the raisins to be off-grade. Handlers shall complete and sign the form. The application for such uninspected raisins shall not be acceptable unless signed by the tenderer. The uninspected raisins shall be subject to surveillance by the Inspection Service. Each lot of raisins accepted by a handler for reconditioning shall be reconditioned separately from any other lot.

(4) If any lot of natural condition raisins tendered to a handler is separated into two or more lots because a portion of the original lot failed to meet minimum grade and condition standards, or because the entire lot failed due to more than one defect, the handler shall issue a prenumbered weight certificate for each such new lot not returned to the tenderer, showing the name and address of the tenderer, the weight of the lot, and the number and type of containers in the lot. The weight of any meeting lot shall be determined by weighing it, or by weighing the failing portion of the incoming lot and deducting the weight thereof from the weight of the incoming lot. The weight of each failing lot shall be determined by weighing it, or by deriving such weight by applying the original average container weight to the number of containers.

(5) Any financially interested party may, upon the payment of any fees assessed by the inspection service, obtain an appeal inspection. An appeal inspection shall be applicable only to raisins which have not been removed from their containers, with pallet control cards still affixed, are readily identifiable, and have not been removed from the original inspection point: *Provided*, That when the condition of a lot of such raisins may have changed subsequent to the original inspection, an additional inspection, rather than an appeal inspection, may be obtained.

(6) Raisins produced by a handler shall be subject to the requirements of paragraph (a) (3) and (4) of this section upon delivery to an inspection point. Raisins produced by a handler by dehydration within an inspection point

shall be subject to the requirements of paragraph (a) (3) and (4) of this section immediately upon completion of said dehydration.

(7) The inspection certificate for a mixed lot of natural condition raisins (raisins of different varietal types commingled within their containers) shall show the percentage which the raisins of each varietal type is of the total raisins contained in the lot.

(8) With respect to any lot of natural condition raisins being received and inspected at a handler's inspection point pursuant to paragraph (a)(3) of this section, the handler shall notify the inspection service if he elects to have the raisins inspected for infestation. If the handler elects not to have the raisins inspected for infestation, he shall: (i) Fumigate promptly all raisins he receives; (ii) notify the inspection service in advance of the time he plans to fumigate such raisins; (iii) permit the inspection service to monitor the fumigation; and (iv) permit the inspection service to make periodic incubation checks of his packed raisins. The inspection service shall certify the raisins received as standard raisins if they meet all other grade and condition standards. If the handler elects to have the raisins inspected for infestation, the inspector shall afford such handler the opportunity to fumigate such raisins during the inspection and certification process. Such raisins shall remain under the supervision of the inspector during the fumigation. The inspection certificate shall not be issued until the fumigation is completed: *Provided*, That the inspection certificate shall be issued, whether or not the fumigation is completed, not later than five business days after the date the inspection and certification process is suspended by the inspector to permit fumigation.

(9) With respect to any lot (as defined in §989.104(a)(1)) of natural condition raisins being received and inspected at a handler's inspection point pursuant to paragraph (a)(3) of this section and notwithstanding separation of the meeting portion of the original lot from the failing portions thereof for the purposes on §989.104 and paragraph (a)(4) of this section, any tenderer may, when permitted by the handler and when notified by the inspector of defects during the inspection and certification process, and in accordance with the provisions of this subparagraph, perform any one or more of the following on an individual box basis: (i) Mix raisins within boxes containing raisins that are wet, or of high moisture content in some areas of the box; (ii) dump raisins from wet boxes into dry boxes; (iii) remove wet raisins; or (iv) remove foreign material such as sandburs, puncture vine seed, Eucalyptus pods or leaves, rocks, and sticks. This authorization to the tenderer shall not extend to raisins in containers larger than sweat boxes; and the number of boxes in the original lot on which the aforesaid actions may be performed during such process shall not exceed ten, or five percent of the total number of containers in the lot, whichever is less. Where the percentage computation results in a fraction of a box and is less than ten boxes, it shall be rounded upward to the next number. The entire lot of raisins shall remain under surveillance of the inspector during such process. The actions of the tenderer shall be done without delay, take place at the unloading dock in the inspection point, or in the immediate area thereof, and be under observation of the inspector.

(b) *Submission of inspection certificates to the Committee.* A copy of each inspection certificate which a handler is required to submit to the Committee pursuant to §989.58(d) shall be submitted not later than Wednesday of the week following the week for which such certificate was issued. This may be accomplished by authorizing the inspection service to submit a copy of each such inspection certificate directly to the Committee. A copy of such authorization shall be furnished to the Committee.

(c) *Off-grade raisins*—(1) *Holding and identification.* The inspection certificates covering any lot of off-grade raisins shall state whether or not such off-grade raisins are storable. Any raisins which do not meet the applicable grade and condition standards shall be classified in one of the three categories specified in §989.58(e)(1) within 5 business days (excluding Saturdays, Sundays, and holidays) after inspection or

3 such business days after issuance of the inspection certificate, whichever is later: *Provided,* That these time limits may be extended by the Committee under such conditions as it may deem necessary in the circumstances. The handler shall report to the Committee the information as required and specified in § 989.173(b)(5). Any such lot of off-grade raisins shall be identified immediately following inspection by fixing to a container on each pallet a prenumbered RAC control card (to be furnished by the Committee), and kept separate and apart from any other raisins in the handler's possession. In the event the handler does not normally use pallets in his operation the RAC control card shall be affixed to one or more of the containers in each lot. The RAC control cards shall remain fixed to the containers until the raisins are (i) disposed of by the handler in eligible non-normal outlets, (ii) returned unstemmed to the tenderer, or (iii) submitted for reconditioning. The cards shall be removed only by an inspector of the inspection service or authorized Committee personnel, except control cards designating lots held only for fumigation may be removed by the handler after the completion of fumigation to the satisfaction of the inspection service. Each lot of off-grade raisins not returned to the tenderer shall be stored by the handler separate and apart by varietal types from all other raisins and by disposition and conditioning categories which preserve the lot identity and, if for reconditioning, the defect identity. Off-grade raisins shall be stored in such a manner as to be accessible to the Committee.

(2) *Change in off-grade categories.* After raisins have been classified as to the categories in § 989.58(e)(1), any lot of natural condition off-grade raisins held by a handler under paragraph (i) or (iii) of § 989.58(e)(1), may be changed to the other category, or to paragraph (ii). Prior to making such change, the handler shall notify the inspection service at least one business day in advance of the time such handler plans to begin such change. Such notification shall be provided verbally or by other means of communication, including e-mail. Any off-grade lot under paragraph (ii) of § 989.58(e)(1) which has not been removed from the handler premises and is identifiable with the original inspection, may be tendered to the handler for the purposes of paragraph (i) or (iii) of § 989.58(e)(1) and, if accepted, the handler shall so report to the Committee. It shall be the responsibility of the handler to establish and maintain the identity of the raisins in the changed categories in accordance with the applicable provisions of paragraph (c)(1) of this section. Where the tenderer has a financial interest in the raisins the handler shall, before making any change in category, submit to the Committee evidence of the tenderer's permission to make any such change, except for changes from paragraph (i) or paragraph (iii) to paragraph (ii) of § 989.58(e)(1).

(3) *Inter-plant and inter-packer transfer of off-grade raisins.* Any packer may, pursuant to § 989.58(e)(2) and under the surveillance of the inspection service, transfer to or from another packer's plant in California, any off-grade raisins for reconditioning. Such transfer may be for the packer's convenience or that of a financially interested person. Where a tenderer or other person has a financial interest in the raisins, the handler shall first obtain the tenderer's or other interested person's written agreement to the transfer. The handler shall notify the inspection service in advance of the time such handler plans to transfer each lot. Such notification shall be provided verbally or by other means of communication, including e-mail. The notification shall be at least 1 business day in advance of the transfer unless a shorter period is acceptable to the inspection service. In the same manner except for the tenderer's or other person's written agreement, any packer may transfer off-grade raisins from one of his plants or inspection points to another of his plants in California. In both cases such raisins may be removed directly to the premises of the receiving packer or another plant of the packer under the surveillance of the inspection service. Upon completion of the transfer all applicable provisions of this part shall apply with respect to such raisins and the packer receiving them.

(4) *Reconditioning off-grade raisins—reconditioning requirements.* (i) The handler shall notify the inspection service at least one business day in advance of the time such handler plans to begin reconditioning each lot of raisins, unless a shorter period is acceptable to the inspection service. Such notification shall be provided verbally or by other means of communication, including email. Natural condition raisins which have been reconditioned shall continue to be considered natural condition raisins for purposes of reinspection (inspection pursuant to § 989.58(d)) after such reconditioning has been completed, if no water or moisture has been added; otherwise, such raisins shall be considered as packed raisins. The weight of the raisins reconditioned successfully shall be determined by reweighing, except where a lot, before reconditioning, failed due to excess moisture only. The weight of such raisins resulting from reconditioning a lot failing account excess moisture may be determined by deducting 1.2 percent of the weight for each percent of moisture in excess of the allowable tolerance. When necessary due to the presence of sand, as determined by the inspection service, the requirement for deducting sand tare and the manner of its determination, as prescribed in paragraph (a)(1) of this section, shall apply in computing the net weight of any such successfully reconditioned natural condition raisins. The weight of the reconditioned raisins acquired as packed raisins shall be adjusted to natural condition weight by the use of factors applicable to the various degrees of processing accomplished. The applicable factor shall be that selected by the inspector of the reconditioned raisins from among factors established by the Committee with the approval of the Secretary.

(ii) In reconditioning off-grade raisins, a handler shall use methods designed to remove the defects whereby the lot fails to qualify as standard raisins. Lots with identical defects may be reconditioned simultaneously (commingled basis) but lots with differing defects shall be reconditioned as separate lots.

(5) *General.* Reconditioning of off-grade raisins by a handler shall be done in accordance with such procedure as will enable the inspector to observe the off-grade raisins at any time and to make a proper inspection. A packer may recover raisins from residual raisin material obtained from his reconditioning operations in conformity with the applicable provisions of § 989.159(g)(1).

(6) *Off-grade raisins which are not reconditioned successfully.* (i) Except as provided in paragraph (c)(6)(ii) of this section, no handler shall return to the tenderer any off-grade raisins received for reconditioning which, after his reconditioning of them is complete, have been stemmed and which then fail to meet the applicable minimum grade standards. Any raisins which fail to meet the applicable minimum grade and condition standards or minimum grade standards after reconditioning and all residual material from reconditioning, held by the handler, shall be identified promptly by affixing to one or more containers in each lot, or to a container in each pallet if pallets are used, a prenumbered RAC control card as prescribed in paragraph (c)(1) of this section: *Provided,* That such failing raisins and residual material which are placed directly into trucks or trailers for immediate disposition need not be identified by affixing thereto a RAC control card. The handler shall hold the failing raisins and the residual material separate and apart from all other raisins. The control cards shall be removed from the containers only by an inspector of the inspection service or authorized Committee personnel. The handler shall physically dispose of the residual material, and any failing raisins which he does not return unstemmed to the tenderer, only in eligible non-normal outlets as provided in § 989.159(g)(2).

(ii) Any packer may arrange for or permit the tenderer to remove the stemmed raisins (described in paragraph (c)(6)(i) of this section), but not the residual, directly to the premises, within California, of another packer for further reconditioning of the raisins at the latter's premises. Such removal and transfer shall be made under the surveillance of the inspection service. The packer shall notify the inspection service as required in paragraph (c)(3)

of this section. Such raisins may be received by the other packer without inspection. On and after such receipt of the raisins for further reconditioning, all applicable provisions of this part shall apply with respect to such raisins and the packer so receiving them.

(7) *Return of off-grade raisins to tenderer.* Any off-grade raisins which are to be returned unstemmed to the tenderer pursuant to §989.58(e)(1)(ii), shall be physically returned within five business days after the issuance of the inspection certificate: *Provided,* That such time limit may be extended by the Committee as it may deem justified by extenuating circumstances. The handler shall file with the Committee a report of the returned raisins as required in §989.173(b)(4).

(i) *Unstemmed and stemmed raisins.* For the purpose of determining whether or not off-grade raisins may be returned to the person tendering such raisins, ''unstemmed'' raisins shall be defined as lots of raisins that contain 150 or more capstems per pound. ''Stemmed'' raisins means lots of raisins that contain less than 150 capstems per pound.

(d) *Reinspection of raisins held more than one hundred and twenty days on memorandum receipt.* No handler shall acquire raisins held on memorandum receipt for a period longer than one hundred and twenty (120) days unless such raisins have been reinspected and certified immediately prior to acquisition as meeting the minimum requirements for standard raisins: *Provided,* That the Committee at any other time may require such reinspection and certification of raisins held on memorandum receipt as a prerequisite to acquisition if it has reason to believe that the raisins do not then meet such requirements.

(e) *Inspection of raisins on dehydrator's premises*—(1) *Application and agreement.* (i) Any dehydrator may submit to the Committee for approval, and the Committee may approve, in accordance with the provisions of this paragraph an application and agreement, on a form furnished by the Committee, providing for dehydrator on-premise inspection of natural condition raisins produced by the dehydrator by subjecting grapes to artificial heat. Raisins so produced are referred to in paragraph (a)(3) of this section and in this paragraph as ''dehydrated raisins.''

(ii) The provisions of such application and agreement shall include at least the following:

(*a*) The dehydrator shall request the inspection service to inspect all dehydrated raisins which the dehydrator produces and to issue a related memorandum report of inspection at the time of loading any quantity of such raisins for delivery to a packer's inspection point;

(*b*) The dehydrator will arrange with the inspection service for the necessary inspection service to be performed by the service, and the dehydrator will submit to the Committee a statement from the inspection service that the dehydrator has adequate facilities for the inspection and that such arrangements have been made;

(*c*) All necessary reconditioning of dehydrated raisins, identification and segregation of raisins, and movement of inspected dehydrated raisins on or from the dehydrator's premises shall be done in such manner and under such conditions as the inspection service may require;

(*d*) The dehydrator shall, at the time of the packer's receipt of such raisins, furnish to the packer to whose inspection point the inspected raisins are delivered the original and one copy of the memorandum report of inspection covering such raisins;

(*e*) The dehydrator shall maintain such records and furnish such reports and permit access to such records and the dehydrator's premises as required in the application and agreement or as the Committee may subsequently request; and

(*f*) The application and agreement may be suspended or terminated as provided therein.

(iii) The Committee will notify raisin packers of each dehydrator whose application and agreement has been approved by the Committee (such dehydrator is referred to in this subpart as ''authorized dehydrator''); similarly, the Committee will notify packers of each suspension or termination of a previously approved application and agreement.

(2) *Delivery of inspected dehydrated raisins.* Any dehydrated raisins which (i) are inspected on an authorized dehydrator's premises where produced; (ii) are moved promptly and directly to a packer's inspection point from the premises of the authorized dehydrator; (iii) are accompanied by an applicable memorandum report of inspection to be furnished to the packer; and (iv) are otherwise in compliance with the provisions of such approved application and agreement and this paragraph may be received by the packer without the inspection at time of receipt required by §989.58(d). With respect to such dehydrated raisins, the packer shall comply with all applicable requirements and procedures of this part, including, but not limited to, inspection after any necessary reconditioning and the inspection prescribed in §989.59.

(3) *Packer's obligations.* Immediately upon a packer's receiving any such already inspected dehydrated raisins accompanied by the applicable memorandum report of inspection, the packer shall give to the inspector at the packer's inspection point where the dehydrated raisins were received, the original and one copy of such memorandum report so that the inspector may enter the net weight and scale ticket number on such memorandum report of inspection and copy thereof. Whenever a packer receives off-grade raisins from an authorized dehydrator he shall so advise the inspector at the packer's inspection point at the time of such receipt; and such raisins shall not be unloaded except in the presence of the inspector or in accordance with such prior arrangements as may have been made between the packer and the inspection service.

(f) *Inspection of raisins at cooperative bargaining association's receiving station*—(1) *Application and agreement.* (i) In accordance with the provisions of this paragraph, any cooperative bargaining association may submit to the Committee for approval, and the Committee may approve, an application and agreement, on a form furnished by the Committee, providing that where the association receives from individual producers lots of natural condition raisins at any of its receiving points and the raisins are inspected and stored consistent with such application and agreement, such lots shall be eligible for delivery to handlers, pursuant to paragraph (f)(3) of this section, without reinspection. Any raisins which upon inspection by the inspection service do not meet the applicable grade and condition standards shall be identified immediately following inspection and kept separate and apart from any other raisins in the association's possession.

(2) *Terms and conditions.* The provisions of such application and agreement shall include at least the following terms and conditions:

(i) That the association shall, prior to delivery of any raisins to handlers, arrange for inspection services at the association's receiving station(s), and cause to be submitted to the Committee a statement by the inspection service of such arrangement and of the association's having adequate laboratory and other facilities for such services available at the association's receiving station(s).

(ii) That the association shall maintain such facilities satisfactory to the inspection service.

(iii) That the association shall request inspection of each lot of raisins immediately upon physical arrival thereof at the association's receiving station(s), and shall provide the inspector with any assistance necessary in the inspection of such raisins, including the movement of individual containers.

(iv) That the association shall fumigate all raisins received at the association's receiving station(s) as necessary to assure that the raisins are free from active infestation and maintain them as such while on such premises, and that fumigation shall be performed to the satisfaction of the inspection service.

(v) That the association shall, with respect to all raisins entering its premises which are not returned to the producer as provided in paragraph (f)(2)(vi) of this section, promptly affix to one or more containers in each lot, or to a container in each pallet if pallets are used, a Committee control card showing thereon such information as the Committee requires to maintain the

producer identity of each lot and prevent commingling with any other lot. The association shall not move all or any portion of a lot of raisins on the premises of the association's receiving station(s) or load any such raisins for shipment, except in the presence of an inspector of the inspection service.

(vi) That the association shall store any standard raisins and any off-grade raisins which are held by it after receipt and inspection on the premises of its receiving station(s) under conditions which protect the raisins from rain, infestation and contamination, and which can be expected to maintain their respective conditions except for normal and natural deterioration and shrinkage. Any raisins which after receipt and inspection are not accepted and held by the association shall be returned to the producer within 5 business days after the issuance of the inspection certificate.

(vii) That the association shall furnish the inspection service with a completed Committee form requesting issuance, at the time of loading any lot of inspected raisins for delivery to any handler's inspection point, of a memorandum report of inspection covering such lot.

(viii) That the association shall deliver to the handler at the time of receipt of any such lot of eligible raisins at the handler's inspection point the original and one copy of the inspection service's related memorandum report of inspection; and such original and copy shall accompany the shipment of such lot from the premises of the association's receiving station(s) to the handler's inspection point.

(ix) That the association shall maintain complete records of the receipt, holding and disposition of each lot of raisins and retain such records for at least 2 years after the crop year in which such transactions occurred.

(x) That the association shall file promptly with the Committee certified reports showing such information as the Committee may request relative to the association's receipts, holdings, and dispositions of raisins.

(xi) That the association shall permit the Committee, the inspection service, and the Secretary of Agriculture, through their duly authorized representatives, to have access to the premises of the association's receiving station(s) to inspect such premises and any raisins thereon and any and all records with respect to the association's receipts, holdings and dispositions of raisins.

(xii) That upon approval of the application and agreement the Committee will notify handlers of such approval and that eligible lots of inspected raisins will not require incoming inspection at handler inspection points; will notify the interested handlers of any suspension or revocation, for good cause, of the eligibility of a particular lot of raisins; and will notify handlers of any suspension or termination of the application and agreement.

(xiii) That the Committee will request the inspection service to establish a fee to the association for the services to be rendered at the same rate as is charged handlers.

(xiv) That the application and agreement may be suspended or terminated as provided therein.

(3) *Waiver of requirement for incoming inspection at handler inspection point.* Any lot of raisins which (i) is inspected on the premises of the association's receiving station(s) pursuant to an approved application and agreement, (ii) is in compliance with the provisions of such application and agreement and this paragraph, (iii) is moved under the surveillance of the inspection service to a handler's inspection point from the association's receiving station(s) after issuance of the related memorandum report of inspection, and (iv) is accompanied by such memorandum report to be furnished to the handler may be received by the handler without the inspection as required by §989.58(d) at time of receipt.

(4) *Handler's obligations.* With respect to such raisins received by the handler, the handler shall comply with all applicable requirements and procedures of this part, including, but not limited to, the inspection prescribed in §989.59 and that required, as prescribed in §989.58(d), prior to the handler acquiring reconditioned raisins. Immediately upon a handler receiving any such raisins accompanied by the applicable memorandum report of inspection, the handler shall give to the inspector at

the handler's inspection point where such raisins are received, the original and one copy of the memorandum report so that the inspector may enter the net weight and scale ticket number on such memorandum report of inspection and copy thereof.

[27 FR 3112, Mar. 31, 1962]

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting § 989.158, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and at *www.govinfo.gov*.

§ 989.159 Regulation of the handling of raisins subsequent to their acquisition.

(a) *Inspection facilities.* At each of the premises where packed raisins are to be inspected each handler shall, at his expense provide reasonably safe and adequate space and other facilities necessary for the proper and efficient inspection of such raisins.

(b) *Identification of inspected raisins.* (1) Each handler shall mark each shipping container with legible code or other identification, satisfactory to the Committee and the inspection service which shall indicate with respect to packed raisins, the date that the raisins in such shipping containers were packed, and with respect to shipments of natural condition raisins, the date on which such raisins were inspected.

(2) Each handler shall furnish promptly to the Committee, through the inspection service, a certified report on a form furnished by the Committee showing the handler's count and weight of the raisins of each pack and varietal type packed each day.

(c) *Outgoing inspection.* (1) Outgoing inspection and certification of raisins as required by § 989.59(d) shall be made as set forth in this paragraph.

(2) Such inspection of natural condition raisins (which is subject to exceptions and exemptions provided in this part) shall be made of each individual lot and in each case not more than five days before the date of shipment or other final disposition of the lot. The certificate that the raisins meet the applicable minimum grade and condition standards for natural condition raisins, which the handler is required to obtain and submit to the Committee pursuant to § 989.59(d), shall be on Form SC–146 labeled ''Certificate of Quality and Condition (Processed Foods).'' If shipment involves exportation to a foreign country, the handler shall surrender to the United States Customs Service at the port of exit two copies of such inspection certificate. Such an inspection and certification (on Form SC–146) may, if requested by the handler, be made at the time of his receipt or acquisition of the raisins. In such an event, no additional inspection shall be required if the lot remains intact and identifiable, and shipment or other final disposition takes place within five days after the date of the inspection.

(3) Such inspection of packed raisins shall be made prior to shipment or other final disposition, and unless made during the final processing or packing operations so as to facilitate proper sampling, the inspector shall perform the inspection on the basis of representative samples drawn from shipping containers of the packed raisins.

(4) Except as otherwise provided in this part, where there is presented for inspection a lot of packed raisins consisting of raisins of different varietal types or sub-types commingled within their containers, each such type and sub-type shall be inspected separately, except that inspection for moisture shall be performed on the lot as a whole. The inspection certificate shall show the respective percentages which the raisins of the various types and sub-types are of the lot and whether each meets the applicable minimum grade standards. In the event the raisins of any such varietal type or subtype contained in the lot fail to meet the applicable requirements, other than for moisture, none of the lot shall be certified as meeting minimum grade standards unless it is found to be practicable to separate the raisins into two new lots, one which meets and the other which fails to meet all of the applicable minimum standards, respectively. Any lot of mixed types or subtypes of packed raisins for which minimum grade standards are prescribed for each type or sub-type pursuant to § 989.59 (a) and (b) but which in their commingled form cannot be inspected

against the standards for the respective varietal types or sub-types and hence are excluded from the category of ''Mixed types'' as defined in the then effective United States Standards for Grades of Processed Raisins, or any raisins which as a mixed lot contain moisture in excess of 18 percent, shall not be certified as meeting the minimum grade standard for packed raisins.

(d) *Submission of inspection certificates to the Committee.* A copy of each inspection certificate which a handler is required to submit to the Committee pursuant to §989.59(d) shall be submitted not later than Wednesday of the week following the week in which the certificate was issued. This may be accomplished by authorizing the inspection service in writing to submit a copy of each such inspection certificate directly to the Committee. A copy of such authorization shall be furnished to the Committee.

(e) *Term of inspection certificate.* Any handler who:

(1) Fails to ship or make other final disposition for human consumption of any lot of packed raisins within 90 calendar days, or of any lot of natural condition raisins within 5 calendar days, after the date of the last inspection of the lot; or

(2) Has any shipment or portion of a shipment returned to his inspection point or storage premises within the area, shall, before any such shipment or final disposition, or before blending with other raisins, have such raisins inspected for condition and shall furnish promptly to the Committee (which may be through the inspection service as provided in §989.158(b)) a copy of the inspection certificate showing that the raisins meet the respective requirements of this part for shipment, final disposition or blending.

(f) *Exemption of experimental and specialty packs*—(1) *Shipment under exemption.* Upon obtaining approval of the Committee as provided in this paragraph, any handler may ship or dispose of raisins in experimental or specialty packs without regard to one or more of the requirements of the minimum grade standards for packed raisins and inspection and certification requirements, prescribed pursuant to §989.59. For the purpose of this exemption, experimental and specialty packs means raisins processed using methods, materials, or techniques that are not normally employed in packing raisins.

(2) *Application for exemption.* Each application for exemption shall be filed with the Committee in triplicate. The application shall at least contain information as to:

(i) The name and address of the handler;

(ii) The estimated quantity of each varietal type of raisins for which the exemption is requested;

(iii) The specific requirements in the minimum grade standards from which exemption is requested;

(iv) The special processing involved;

(v) The net weight of each type of container;

(vi) Whether disposition will be made direct to consumers, wholesalers, retailers, persons, or organizations, and any special uses to be made of such raisins; and

(vii) The general quality, style, and condition of the raisins for which the exemption is requested.

(3) *Committee action on application.* The Committee in its discretion shall approve each application for exemption of raisins, if it concludes that such exemption shall not jeopardize the objectives of the marketing order program. The Committee shall notify the handler promptly in writing of its approval or disapproval of his application and, if the application is approved, the maximum quantity for which approval is granted. If the application is disapproved, the Committee shall inform the handler of the reasons therefor.

(4) *Reports.* The handler shall report shipments or other dispositions under an approved exemption as required pursuant to §989.173(e).

(g) *Off-grade raisins, other failing raisins, and raisin residual material*—(1) *Recovery of raisins.* (i) For the purposes of §§989.59(f) and 989.158(c)(4), a packer may recover raisins from:

(A) Residual raisins from his or her processing of standard raisins;

(B) Any raisins acquired as standard raisins which fail to meet the applicable outgoing grade and condition standards;

(C) Any raisins rejected on a condition inspection; and

(D) Residual raisins from reconditioning of off-grade raisins.

(ii) *Provided,* That such recovery under paragraphs (g)(1)(i)(B) and (C) of this section must occur without blending, if the failure to meet the minimum grade standards for packed raisins is due to a defect or defects affecting the wholesomeness of the raisins: *And provided further,* That such recovery under paragraph (g)(1)(i)(D) of this section must occur without blending, except as permitted in §989.158(c)(4)(ii), and the weight of standard raisins in residual from off-grade raisins shall be credited equitably to the same lot or lots from which the residual was obtained. The provisions of this paragraph (g)(1) are not intended to excuse any failure to comply with all applicable food and sanitary rules and regulations of city, county, state, federal, or other agencies having jurisdiction.

(2) *Disposition.* (i) Except as authorized in this part, no handler shall ship or otherwise dispose of any off-grade raisins, other failing raisins, or raisin residual material. Any handler may ship, transfer, or otherwise dispose of off-grade raisins, other failing raisins, and raisin residual material to or at points within the continental United States (other than Alaska) for use in eligible non-normal outlets only after filing with the Committee a written application to make such shipment, transfer, or other disposition and receiving its written approval thereof. However, the requirements of prior filing and approval of any such application shall not apply to:

(A) The transfer of any such raisins or residual material by a handler from one of his plants to another of his plants in the State of California, except any transfer of raisins which are for reconditioning shall be in accordance with §989.158(c)(3);

(B) Any inter-packer transfer or removal of off-grade raisins made in accordance with §989.158(c)(3) and of unsuccessfully reconditioned off-grade raisins which have been stemmed (other failing raisins) made in accordance with §989.158(c)(6)(ii);

(C) Any return by a handler of unstemmed off-grade raisins to the tenderer in accordance with §989.158(c)(7);

(D) Any shipment or transfer of off-grade raisins, other failing raisins, or raisin residual material by any handler to a processor within the State of California for use, within the State, in eligible non-normal outlets;

(E) Any shipment or transfer of off-grade raisins, other failing raisins, or raisin residual material by a handler to any person with an effective agreement with the Committee, in which he agrees to use such raisins and raisin residual material only in eligible non-normal outlets, if not so used, to pay to the Committee liquidated damages in the amount and under the conditions specified in paragraph (g)(2)(iii) of this section, and to maintain complete, accurate, and current records regarding his dealings in raisins and raisin residual material, retain the records for at least 2 years, and permit representatives of the Committee and Secretary of Agriculture to examine all of his books and records relating to raisins and residual material; and

(F) Any direct use by the handler of such raisins or material in eligible non-normal outlets within the State of California.

(ii) Each such application shall, in addition to the agreement specified in paragraph (g)(2)(iii) of this section, include as a minimum:

(A) The names and addresses of the handler, the buyer, the consignee, and the user;

(B) The quantity of off-grade and other failing raisins and the quantity of raisins residual material to be shipped or otherwise disposed of;

(C) A description of such off-grade raisins and other failing raisins and raisin residual material, as to type or origin;

(D) The present location of such raisins and raisin residual material;

(E) The particular use to be made of the raisins; and

(F) A copy of the sales contract, which may be on a form furnished by the Committee, wherein the buyer agrees:

(*1*) Not to ship such raisins or raisin residual material to points outside the continental United States or to Alaska;

(*2*) To dispose of the raisins or raisin residual material only for uses in eligible non-normal outlet(s); and

(*3*) To maintain complete, accurate, and current records regarding his or her dealings in raisins, retain the records for at least 2 years, and permit representatives of the Committee and of the Secretary of Agriculture to examine all of his or her books and records relating to raisins and residual material.

(iii) Each such application shall also include a provision for liquidated damages wherein the handler, in consideration of the Committee approving his application, agrees that in the event any raisins or raisin residual material covered by the approved application should be shipped to points outside of the continental United States or to Alaska, or disposed of in other than eligible non-normal outlets, by any person, it will cause serious and substantial damage to the Committee, to producers, and to handlers of raisins and will be difficult, if not impossible, to prove the extent of such damage. Therefore, the handler shall pay to the Committee a sum equal to the established field price as liquidated damages for each ton so shipped or disposed of, such sum being a fair measure of damages and not a penalty.

(iv) The Committee shall notify the applicant in writing of its approval action. In acting on an application, the Committee may disapprove the application when: The application is incomplete, or any required information has not been submitted; the Committee has cause to believe that the raisins or raisin residual material covered by the application will not be shipped or disposed of in accordance with the application; or the handler, or any of the parties involved in the proposed shipment or disposition, had shipped or made disposition or use of raisins or raisin residual material covered by a previously approved application inconsistent with that application. When the use or the name and address of the user or consignee are not known to the handler, the Committee shall not approve the application until it has been informed as to such use and user and consignee of the raisins or residual material.

(v) The Committee may, for cause, revoke any previously approved application of a handler if the handler, buyer, consignee or user covered by the application has shipped or made disposition inconsistent with any approved application. The Committee shall notify the handler in writing of such revocation.

(vi) The handler shall furnish the Committee with a copy of the shipping document or other documentary evidence of the disposition as may be satisfactory to the Committee and at such times as the Committee may direct.

(h) *Appeal inspection.* An appeal inspection on an original inspection may be obtained from the inspection service upon the request of any financially interested party and upon the payment of any fees assessed by the inspection service for such appeal inspection.

[27 FR 3112, Mar. 31, 1962, as amended at 30 FR 6906, May 21, 1965; 31 FR 16306, Dec. 21, 1966; 36 FR 13980, July 29, 1971; 38 FR 13012, May 18, 1973; 38 FR 20237, July 30, 1973; 42 FR 52377, Sept. 30, 1977; 49 FR 18731, May 2, 1984; 84 FR 30863, June 28, 2019; 88 FR 82236, Nov. 24, 2023]

§ 989.160 Exemptions.

(a) Any processor may receive or acquire any raisins for use in eligible non-normal outlets, and dispose of them for such use, without having them inspected and certified. Processors receiving or acquiring raisins under such exemption, or otherwise receiving or acquiring raisins which do not meet the applicable minimum grade and condition standards, shall not ship or otherwise dispose of any such raisins except in conformity with the provisions of § 989.159(g)(2). Processors shall report receipts and acquisitions and make such other reports as are or may be required pursuant to §§ 989.73 and 989.173.

(b) *Disposition of raisins produced in Southern California.* Raisins produced from grapes dried on the vine in the counties of Riverside, Imperial, San

Bernardino, Ventura, Orange, Los Angeles, and San Diego, which are disposed of for use in distillation or livestock feed, shall be exempt from the provisions of this part.

[30 FR 6906, May 21, 1965, as amended at 38 FR 13013, May 18, 1973; 59 FR 44031, Aug. 26, 1994]

§§989.166–989.167 [Reserved]

REPORTS AND RECORDS

§989.173 Reports.

(a) *Inventory reports.* Each handler shall submit to the Committee as of the close of business on July 31 of each crop year, and not later than the following August 6, an inventory report which shall show, with respect to each varietal type of raisins held by such handler, the quantity of off-grade raisins segregated as to those for reconditioning and those for disposition as such. *Provided*, That, for the Other Seedless varietal type, handlers shall report the information required in this paragraph separately for the different types of Other Seedless raisins. Upon request by the Committee, each handler shall file at other times, and as of other dates, any of the said information which may reasonably be necessary and which the Committee shall specify in its request.

(b) *Reports of raisins received or acquired*—(1) *General.* (i) Except as otherwise provided in paragraph (i) of this section, each handler shall submit to the Committee (on forms furnished by it) for each week (Sunday through Saturday or such other 7-day period for which the handler has submitted a proposal to and received approval from the Committee) and not later than the following Wednesday, the reports specified in paragraphs (b)(2), (3), (4), and (5) of this section.

(ii) For each report required to be submitted pursuant to this paragraph, the required information shall be shown separately for each varietal type: *Provided*, That, for the Other Seedless varietal type, the required information shall be shown separately for the different types of Other Seedless raisins. With each report, other than that specified in paragraph (b)(4) of this section, the handler shall submit a copy of the door receipt, weight certificate or such other document approved by the Committee that accurately reflects the weight of each lot tendered, for each lot of raisins received or acquired by him during the reporting period and for each lot of raisins stored on memorandum or warehouse receipt which was returned to the tenderer during such period, which shall show the information to be contained on such receipts or weight certificates as specified in §989.158(a)(3). At the time he submits the reports specified in paragraphs (b) (2) and (3) of this section to the Committee, each handler shall submit a copy of each such report to the Inspection Service.

(2) *Acquisition of standard raisins.* Each handler shall report:

(i) The total net weight of the standard raisins acquired during the reporting period; and

(ii) The cumulative totals of such acquisitions from the beginning of the then current crop year.

(3) *Standard raisins received for memorandum storage.* Each handler shall, with respect to all standard raisins held for memorandum receipt, storage, bailment, or warehousing (raisins received other than by acquisition or inter-handler transfer), report:

(i) The net weight of such standard raisins held at the start of the reporting period;

(ii) The net weight of such standard raisins received during the reporting period;

(iii) The net weight of such standard raisins acquired during such period and included with the acquisitions required to be reported pursuant to paragraph (b)(2) of this section;

(iv) The net weight of such raisins returned during such period to the persons from whom they were received; and

(v) The net weight(s) and location(s) of such raisins held at the end of such period.

(4) *Off-grade raisins returned to tenderers.* Each handler shall report with respect to each lot of off-grade raisins which the handler returned during the reporting period to the tenderer pursuant to paragraph (1) of §989.58(e):

(i) The inspection certificate number;

(ii) The net weight;

(iii) The name of the tenderer; and

(iv) The date the lot was returned to the tenderer.

(5) *Off-grade raisins received for reconditioning or disposition in eligible non-food channels.* Each handler who is not a processor shall, with respect to all off-grade raisins received by the handler and retained by him for reconditioning or for disposition or use in eligible non-normal outlets, report for each category received or reconditioned during the reporting period:

(i) The name of each tenderer;

(ii) The net weight of such raisins;

(iii) The locations where received;

(iv) The inspection certificate number covering each receipt;

(v) The name and address of each person to whom residual or off-grade lots were delivered for disposition, and the respective net weight delivered; and

(vi)(A) The total net weight (according to location) of each category of off-grade raisins held by him at the end of the reporting period.

(B) Each non-acquiring handler shall report also the weight of standard raisins recovered from reconditioning, their inspection certificate number(s) and the handler or other person to whom the standard raisins were delivered.

(6) *Monthly report of raisins received or acquired by processors.* Each processor who receives or acquires off-grade raisins, or who avail himself of the exemptions from the grade and inspection requirements provided in §§ 989.58, 989.59(f), and 989.160 and receives or acquires raisins or raisin residual material, shall submit to the Committee on or before the 7th day of each month a report of such raisins, raisin residual material, and off-grade raisins received or acquired during the preceding month. Each report shall show for each varietal type:

(i) The name and address of each handler, producer, or other person from whom such raisins or raisin residual material was received or acquired; and

(ii) The net weight of such raisins and raisin residual material.

(7) *Receipt of raisins produced from grapes grown outside the State of California.* Each handler who receives raisins produced from grapes grown outside the State of California shall submit to the Committee, on an appropriate form provided by the Committee so that it is received by the Committee not later than the eighth day of each month, a report of the receipt of such raisins. This report shall include: The varietal type of raisins received; the net weight (pounds) of raisins received for the current month as well as a cumulative quantity from August 1; and the state or country where the raisins were produced. With each report, the handler shall submit a copy of the door receipt, weight certificate, or such other document as required by the Committee that includes, but is not limited to, the name of the tenderer (equity holder) from whom such raisins were received, the varietal type(s) of raisins, the net fruit weight, the number and type of containers in the lot, the date of delivery, and the address including State or country where such raisins were produced.

(c) *Reports of disposition*—(1) Each month each handler who is not a processor shall furnish to the Committee, on an appropriate form provided by the Committee and so that it is received by the Committee not later than the seventh day of the month, a report showing the aggregate quantity of each varietal type of packed raisins and standard natural condition raisins which were shipped or otherwise disposed of by such handler during the preceding month (exclusive of transfers within the State of California between plants of any such handler and from such handler to other handlers): *Provided,* That, for the Other Seedless varietal type, handlers shall report such information for the different types of Other Seedless raisins. Such required information shall be segregated as to:

(i) Domestic outlets (exclusive of Federal Government purchases) according to the quantity shipped in consumer cartons, the quantity shipped in bags having a net weight content of four pounds or less, and the quantity shipped in bulk packs (including, but not limited to those in bags having a net weight content of more than four pounds);

(ii) Federal Government purchases;

(iii) The varietal type of raisin, with organically-produced raisins as specified in paragraph (g) of this section

separated out, net weight, and condition of the raisins transferred: *Provided*, That, for the Other Seedless varietal type, handlers shall report such information for the different types of Other Seedless raisins; and

(iv) Export outlets, by countries of destination; and

(v) Each of any other outlets in which the handler has made disposition of such raisins other than by any transfer which is excluded by the preceding sentence.

(2) *Disposition by handlers (other than processors) of off-grade raisins, other failing raisins, and raisin residual material.* Each handler who is not a processor shall submit to the Committee on or before the seventh day of each month a report of all shipments and other dispositions made during the preceding month of off-grade raisins, other failing raisins, and raisin residual material. Such report shall be submitted on a form furnished by the Committee and shall include the following information:

(i) Date of each shipment and other disposition;

(ii) Name and address of each buyer and receiver; and

(iii) Description and net weight of the raisins and raisin residual material in each shipment or other disposition.

(3) *Disposition by handlers of raisins produced from grapes grown outside the State of California.* Each handler who receives raisins produced from grapes grown outside the State of California shall submit to the Committee, on or before the eighth day of each month, a report, on the appropriate form provided by the Committee, of all shipments of such raisins made during the preceding month. This report shall include:

(i) The varietal type(s) of raisins shipped;

(ii) The net weight (pounds) of raisins shipped;

(iii) The destination (domestic, export, and other disposition such as distilleries, livestock feeders, or concentrate) of such shipments; and

(iv) The area of origin (state or country) of the raisins shipped.

(4) *Disposition reports by processors.* Each processor shall submit to the Committee, upon its request, such of the following information and for such period as the Committee shall specify;

(i) The quantity of raisins and raisin material sold or otherwise disposed of by processing operations, segregated as to the processing outlets and the kinds of raisins or raisin material which the Committee shall specify; and

(ii) The quantity of raisins or raisin material sold or otherwise disposed of by the processor, segregated as to specified outlets and kinds of raisins or raisin material.

(d) *Reports of inter-handler transfers.* (1) Any handler who transfers raisins to another handler within the State of California shall submit to the Committee not later than five calendar days following such transfer a report showing:

(i) The date of transfer;

(ii) The name(s) and address(es) of the handler or handlers and the locations of the plants;

(iii) The varietal type of raisin, with organically-produced raisins as specified in paragraph (g) of this section separated out, net weight, and condition of the raisins transferred: Provided, That, for the Other Seedless varietal type, handlers shall report such information for the different types of Other Seedless raisins;

(iv) If packed, the inspection certificate number in the event such raisins have been inspected prior to such transfer and a certificate issued. Two copies of such report shall be forwarded to the receiving handler at the time the report is submitted to the Committee, on one of which the receiving handler shall certify to the receipt of such raisins and submit it to the Committee within five calendar days after the raisins or the copies of such report have been received by him, whichever is later; and

(v) If packed, the transferring handler shall certify that such handler is transferring only acquired raisins that meet all applicable marketing order requirements, including reporting, incoming inspection, and assessments.

(2) [Reserved]

(e) *Report of shipments of experimental or specialty packs under exemption.* Each handler who obtains an exemption pursuant to §989.59(g) for the shipment of

experimental or specialty packs of raisins shall submit to the Committee on a copy of the approved application for exemption a report showing the quantity of raisins shipped or disposed of under such exemption. The handler shall submit the report promptly after the end of the crop year or after completion by him of all shipments of such exempted raisins, whichever is earlier.

(f) *Organically-produced raisins.* For purposes of this section, organically-produced raisins means raisins that have been certified by an organic certification organization currently registered with the California Department of Food and Agriculture or such certifying organization accredited under the National Organic Program. Handlers of such raisins shall submit the following reports to the Committee by varietal type: *Provided:* That, for the Other Seedless varietal type, handlers shall report such information for the different types of Other Seedless raisins.

(1) *Inventory report of organically-produced raisins.* Each handler shall submit to the Committee by the close of business on July 31 of each crop year, and not later than the following August 6, on an appropriate form provided by the Committee, a report showing, with respect to the organically-produced raisins held by such handler:

(i) The quantity of raisins, segregated as to locations where they are stored and whether they are natural condition or packed;

(ii) The quantity of off-grade raisins segregated as to those for reconditioning and those for disposition as such.

(2) *Acquisition report of organically-produced standard raisins.* Each handler shall submit to the Committee for each week (Sunday through Saturday or such other 7-day period for which the handler has submitted a proposal to and received approval from the Committee) and not later than the following Wednesday, on an appropriate form provided by the Committee, a report showing the following:

(i) The total net weight of the standard raisins acquired during the reporting period; and

(ii) The location of the reserve tonnage; and

(iii) The cumulative totals of such acquisitions (as so segregated) from the beginning of the current crop year.

(iv) Upon request of the Committee, each handler shall provide copies of the organic certificate(s) applicable to the quantity of raisins reported as acquired.

(3) *Disposition report of organically-produced raisins.* No later than the seventh day of each month, handlers who are not processors shall submit to the Committee, on an appropriate form provided by the Committee, a report showing the aggregate quantity of packed raisins and standard natural condition raisins which were shipped or otherwise disposed of by such handler during the preceding month (exclusive of transfer within the State of California between the plants of any such handler and from such handler to other handlers). Such information shall include:

(i) Domestic outlets (exclusive of Federal government purchases) according to the quantity shipped in consumer cartons, the quantity of bags having a net weight content of 4 pounds or less, and the quantity shipped in bulk packs (including, but not limited to those in bags having a net weight content of more than 4 pounds);

(ii) Federal government purchases;

(iii) Export outlets according to quantity shipped in consumer cartons, the quantity shipped in bags having a net weight of 4 pounds or less, and the quantity shipped in bulk packs (including, but not limited to those in bags having a net weight content of more than 4 pounds);

(iv) Export outlets, by countries of destination; and

(v) Each of any other outlets in which the handler disposed of such raisins other than by any transfer which is excluded by the preceding sentence.

(g) [Reserved]

(h) *Certification of report.* All reports submitted to the Committee pursuant to this part shall be dated, and certified to the United States Department of Agriculture and to the Raisin Administrative Committee as to the truthfulness, accuracy and completeness of the information shown thereon.

(i) *Reporting by non-profit cooperative associations.* Non-profit cooperative associations need not submit door tags, door receipts, weight certificates or other similar documents with its report as to raisins received or acquired from its members.

(j) *Exemption from filing report.* A handler may be relieved by the Committee of submitting any of the reports required pursuant to paragraph (b) of this section which he shall specify in a written application therefor to the Committee stating that no transactions subject to such reports are contemplated for the balance of the crop year: *Provided,* That any such exemption shall remain in effect only so long as said handler has no such transactions subject to such reports.

[27 FR 3112, Mar. 31, 1962]

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting § 989.173, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and at *www.govinfo.gov.*

§ 989.176 Records.

Each handler shall maintain complete, accurate, and current records of all of his business affairs concerning which he is required to submit reports with the Committee, and shall maintain such records for at least two years after the termination of the crop year in which the transactions occurred.

Subpart C—Supplementary Requirements

§ 989.210 Handling of varietal types of raisins acquired pursuant to a weight dockage system.

(a) *General.* A handler may acquire as standard raisins lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, Sultana, Zante Currant, Muscat (including other raisins with seeds), and Other Seedless-Sulfured raisins under the weight dockage provisions described in §§ 989.212 and 989.213. The creditable weight of each lot of raisins acquired in this manner shall be that obtained by multiplying the net weight of the raisins in the lot by the applicable factor(s) from the appropriate dockage table(s) included in those sections.

(b) *Assessments.* Assessments on any lot of raisins of the varietal types specified in paragraph (a) of this section acquired by a handler pursuant to a weight dockage system shall be applicable to the creditable weight of such lot.

(c) *Identification.* Any lot of raisins of the varietal types specified in paragraph (a) of this section acquired pursuant to a weight dockage system shall be so identified by the inspection service affixing to one container on each pallet, or to each bin, in such lot, a prenumbered RAC control card (to be furnished by the Committee) which shall remain affixed to the container or bin until the raisins are processed or disposed of as natural condition raisins. The control card shall only be removed by, or under the supervision of an inspector of, the inspection service, or authorized Committee personnel.

(d) *Application of dockage factors.* A lot of raisins acquired which may be subject to both a substandard and maturity dockage factor shall have only the highest of the two dockage factors applied to determine the creditable weight.

[53 FR 49296, Dec. 7, 1988, as amended at 67 FR 36792, May 28, 2002; 68 FR 42947, July 21, 2003; 83 FR 53973, Oct. 26, 2018]

§ 989.212 Substandard dockage.

(a) *General.* Subject to prior agreement between handler and tenderer, Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins containing from 5.1 through 17.0 percent, by weight, of substandard raisins may be acquired by a handler under a weight dockage system: Provided, That, for the 2023–2024 crop year, such raisins containing from 5.1 through 21.0 percent, by weight, of substandard raisins may be acquired by a handler under a weight dockage system. A handler may also, subject to prior agreement, acquire as standard raisins any lot of Muscat (including other raisins with seeds), Sultana, and Zante Currant raisins containing from 12.1 through 20.0 percent, by weight, of substandard raisins under a weight dockage system: Provided, That, for the 2023–2024 crop year, a handler may acquire such raisins containing from

12.1 through 25.0 percent, by weight, of substandard raisins under a weight dockage system. The creditable weight of each lot of raisins acquired under the substandard dockage system shall be obtained by multiplying the net weight of the lot of raisins by the applicable dockage factor from the appropriate dockage table prescribed in paragraph (b) or (c) of this section.

(b) *Substandard dockage table applicable to Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins.*

Percent substandard	Dockage factor
5.0 or less	(1)
5.1	.999
5.2	.998
5.3	.997
5.4	.996
5.5	.995

[1] No dockage.

NOTE TO PARAGRAPH (b): Percentages in excess of the last percentage shown in the table shall be expressed in the same increments as the foregoing, and the dockage factor for each such increment shall be .001 less than the dockage factor for the preceding increment. Deliveries in excess of 17.0 percent would be off-grade; therefore, the dockage factor does not apply: Provided, That, for the 2023–2024 crop year, deliveries in excess of 21.0 percent would be off-grade; therefore, the dockage factor does not apply.

(c) *Substandard dockage table applicable to Muscat (including other raisins with seeds), Sultana and Zante Currant raisins.*

Percent substandard	Dockage factor
12.0 or less	(1)
12.1	.999
12.2	.998
12.3	.997
12.4	.996
12.5	.995

[1] No dockage.

NOTE TO PARAGRAPH (c): Percentages in excess of the last percentage shown in the table shall be expressed in the same increments as the foregoing, and the dockage factor for each increment shall be .001 less than the dockage factor for the preceding increment. Deliveries in excess of 20.0 percent would be off grade; therefore, the dockage factor does not apply. Provided, That, for the 2023–2024 crop year, deliveries in excess of 25.0 percent would be off-grade; therefore, the dockage factor does not apply.

[57 FR 28597, June 26, 1992, as amended at 63 FR 56785, Oct. 23, 1998; 67 FR 36792, May 28, 2002; 68 FR 42947, July 21, 2003; 88 FR 85823, Dec. 11, 2023]

§ 989.213 Maturity dockage.

(a) *General.* Subject to prior agreement between handler and tenderer, Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins containing from 35.0 percent through 49.9 percent, by weight, of well-matured or reasonably well-matured raisins may be acquired by a handler under a weight dockage system. Provided, That, for the 2023–2024 crop year, such raisins containing from 30.0 through 49.9 percent, by weight, of well-matured or reasonably well-matured raisins may be acquired by a handler under a weight dockage system. The creditable weight of each lot of raisins acquired under the maturity dockage system shall be obtained by multiplying the net weight of the lot of raisins by the applicable dockage factor from the dockage table prescribed in paragraphs (b), (c), (d), and (e) of this section.

(b) Maturity dockage table applicable to lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins which contain 45.0 percent through 49.9 percent well-matured or reasonably well-matured raisins:

Percent well-matured or reasonably well-matured:	Dockage factor
50.0 or more	(1)
49.9	0.9995
49.8	.9990
49.7	.9985
49.6	.9980
49.5	.9975

[1] No dockage.

NOTE: Percentages less than the last percentage shown in the table, down to 45.0 percent, shall be expressed in the same increments as the foregoing, and the dockage for each such increment shall be .0005 less than the dockage factor for the preceding increment.

(c) Maturity dockage table applicable to lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless,

Monukka, Other Seedless, and Other Seedless-Sulfured raisins which contain 40.0 percent through 44.9 percent well-matured or reasonably well-matured raisins:

Percent well-matured or reasonably well-matured:	Dockage factor
44.9	0.974
44.8	.973
44.7	.972
44.6	.971
44.5	.970
44.4	.969

NOTE: Percentages less than the last percentage shown in the table, down to 40.0 percent, shall be expressed in the same increments as the foregoing, and the dockage factor for each such increment shall be .001 less than the dockage factor for the preceding increment.

(d) Maturity dockage table applicable to lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins which contain 35.0 percent through 39.9 percent well-matured or reasonably well-matured raisins:

Percent well-matured or reasonably well-matured:	Dockage factor
39.9	0.9235
39.8	.9220
39.7	.9205
39.6	.9190
39.5	.9175
39.4	.9160

NOTE TO PARAGRAPH (d): Percentages less than the last percentage shown in the table shall be expressed in the same increments as the foregoing, and the dockage factor for each such increment shall be .0015 less than the dockage factor for the preceding increment.

(e) For the 2023–2024 crop year, maturity dockage table applicable to lots of Natural (sun-dried) Seedless, Golden Seedless, Dipped Seedless, Monukka, Other Seedless, and Other Seedless-Sulfured raisins which contain 30.0 percent through 34.9 percent well-matured or reasonably well-matured raisins:

Percent well-matured or reasonably well-matured	Dockage factor
34.9	.8480
34.8	.8460
34.7	.8440
34.6	.8420
34.5	.8400
34.4	.8380

NOTE TO PARAGRAPH (e): Percentages less than the last percentage shown in the table shall be expressed in the same increments as the foregoing, and the dockage factor for each such increment shall be .002 less than the dockage factor for the preceding increment.

[25 FR 12813, Dec. 14, 1960; 27 FR 2506, Mar. 16, 1962, as amended at 52 FR 32776, Aug. 31, 1987; 53 FR 34715, Sept. 8, 1988; 53 FR 49296, Dec. 7, 1988; 54 FR 43041, Oct. 20, 1989; 63 FR 56785, Oct. 23, 1998; 67 FR 36792, May 28, 2002; 68 FR 42947, July 21, 2003; 88 FR 85824, Dec. 11, 2023]

§§ 989.221—989.257 [Reserved

Subpart D—Assessment Rates

§ 989.347 Assessment rate.

On and after August 1, 2023, an assessment rate of $24 per ton is established for assessable raisins produced from grapes in California.

[89 FR 24339, Apr. 8, 2024]

Subpart E—Conversion Factors

§ 989.601 Conversion factors for raisin weight.

The following factors for the named varietal types of raisins shall be used to convert the net weight of reconditioned raisins acquired by handlers as packed raisins to natural condition weight. The net weight of the raisins after the completion of processing shall be divided by the applicable factor to obtain the natural condition weight: *Provided*, That the adjusted weight does not exceed the original weight of the raisins prior to reconditioning; and *Provided further*, That, if the adjusted weight exceeds the original weight, the original weight will be used.

Varietal type	Conversion factor
Natural (sun-dried) Seedless	0.92
Golden Seedless, Dipped Seedless, Other Seedless, and Other Seedless-Sulfured	0.95
Muscats (including raisins with seeds):	
Seeded	0.80
Unseeded	0.92
Sultana	0.92
Zante Currant	0.91

[54 FR 41587, Oct. 11, 1989, as amended at 67 FR 36792, May 28, 2002; 68 FR 42947, July 21, 2003]

Subpart F—Quality Control

§ 989.701 Minimum grade and condition standards for natural condition raisins.

Effective pursuant to § 989.58, raisins meeting the varietal standards hereinafter set forth shall be considered as standard raisins and those failing to meet such standards shall be considered as off-grade raisins. Where the raisins in any lot consist of two or more varietal types commingled within their containers, the lot shall be considered as a mixed lot and as standard raisins if they meet for each defect the most restrictive requirements for the varietal types of raisins comprising the lot. In the event layered Muscats (including other raisins with seeds) or Cluster Seedless raisins are commingled within their containers with loose Muscats (including other raisins with seeds) or loose Cluster Seedless raisins respectively, the entire lot shall be considered as loose Muscats (including other raisins with seeds) or Natural (sun-dried) Seedless raisins. The raisins shall be considered as standard raisins if the lot as a whole meets the minimum standards for loose Muscats (including other raisins with seeds) or Natural (sun-dried) Seedless raisins: *Provided,* That with respect to the requirements peculiar to a varietal type such as possessing characteristic color, flavor, or odor, the raisins shall be considered as meeting such requirements if they have been properly prepared as raisins. In each category, only those raisins which have been properly dried and cured in original natural condition, are free from active infestation, and are in such condition that they are capable of being received, stored, and packed without undue deterioration or spoilage, shall be considered as storable raisins.

(a) *Natural (sun-dried) Seedless, Monukka and Other Seedless raisins.* Natural condition Natural (sun-dried) Seedless, Monukka and Other Seedless raisins shall have been prepared from sound, wholesome, matured grapes properly dried and cured, and shall meet the following additional requirements: (1) Shall be fairly free from damage by sugaring, mechanical injury, sunburn, or other similar injury; (2) shall have a normal characteristic color, flavor, and odor of properly prepared raisins; (3) shall contain not more than 5 percent, by weight, of substandard raisins (raisins that show development less than that characteristic of raisins prepared from fairly well-matured grapes), and shall also contain at least 50 percent well-matured or reasonably well-matured raisins; (4) shall not exceed 16 percent moisture as determined by the dried fruit moisture tester method, except that there shall be no maximum moisture content for Cluster Seedless raisins; and (5) shall be of such quality and condition as can be expected to withstand storage as provided in the order and that when processed in accordance with good commercial practice will meet the minimum standards for processed raisins established by the Committee, and that with respect to Cluster Seedless raisins, in addition to the above requirements the raisins shall be fairly free from shattered (or loose end) berries, and be uniformly cured; shall contain 30 percent or more ''2 Crown'' or larger size berries; and shall be of such quality and condition that when processed in accordance with good commercial practice will, except for moisture content, meet the minimum standards for processed raisins established by the Committee.

(b) *Dipped Seedless, Oleate and Related Seedless, and Other Seedless-Sulfured raisins.* Natural condition Dipped Seedless, and Other Seedless-Sulfured raisins shall have been prepared from sound, wholesome, matured grapes properly dried and cured, and shall meet the following additional requirements:

(1) Shall be fairly free from damage by sugaring, mechanical injury, sunburn, or other similar injury;

(2) Shall have a normal characteristic flavor and odor of properly prepared raisins;

(3) Shall contain not more than 5 percent, by weight, of substandard raisins (raisins that show development less than that characteristic of raisins prepared from fairly well-matured grapes), and for the 1985–86 and subsequent crop years also contain at least 50 percent well-matured or reasonably well-matured raisins;

(4) Shall not exceed 14 percent moisture as determined by the dried fruit moisture tester method,

(5) Shall be of such quality and condition as can be expected to withstand storage as provided in the order and that when processed in accordance with good commercial practice will meet the minimum standards for processed raisins established by the Committee.

(c) *Golden Seedless.* Natural condition Golden Seedless raisins shall have been prepared from sound, wholesome, matured grapes properly dried and cured, and shall meet the following additional requirements: (1) Shall be fairly free from damage by sugaring, mechanical injury, sunburn, or other similar injury; (2) shall have a normal characteristic flavor and odor of properly prepared raisins; (3) shall contain not more than 5 percent, by weight, of substandard raisins (raisins that show development less than that characteristic of raisins prepared from fairly well-matured grapes), and for the 1985–86 and subsequent crop years also contain at least 50 percent well-matured or reasonably well-matured raisins; (4) shall not exceed 14 percent moisture as determined by the dried fruit moisture tester method, (5) shall be of such quality and condition as can be expected to withstand storage as provided in the order and that when processed in accordance with good commercial practice will meet the minimum standards for processed raisins established by the Committee; and (6) shall possess a color varying from yellowish green to dark amber or dark greenish amber with not more than 15 percent, by weight, of all the raisins being definitely dark berries. *Definitely dark berries* means raisins which are definitely darker than dark amber and characteristic of ''naturally'' raisined grapes.

(d) *Muscats (including other raisins with seeds).* Natural condition Muscat raisins (including other raisins with seeds) shall have been prepared from sound, wholesome, matured grapes properly dried and cured, and shall meet the following additional requirements:

(1) Shall be fairly free from damage by sugar, mechanical injury, sunburn or other similar injury;

(2) Shall have a normal characteristic color, flavor, and odor of properly prepared raisins and shall contain not more than 12 percent, by weight, of substandard raisins (raisins that show development less than that characteristic of raisins prepared from fairly well-matured grapes);

(3) Shall not exceed 16 percent moisture as determined by the dried fruit moisture tester method, except that water dipped, vine sprayed or similarly treated Muscats (including other raisins with seeds) shall not exceed 14 percent moisture, and that there shall be no maximum moisture content for layered Muscats (including other raisins with seeds);

(4) The raisins shall be of such quality and condition as can be expected to withstand storage as provided in the marketing agreement and order, and that when processed in accordance with good commercial practice will meet the minimum standards for processed raisins established by the Committee, and that with respect to layered Muscats (including other raisins with seeds), in addition to the above requirements the raisins shall be fairly free from shattered (or loose end) berries; uniformly cured; 30 percent or more ''3 Crown'' or larger size; of such quality and condition that when processed in accordance with good commercial practice will, except for moisture content, meet the minimum standards for processed raisins established by the Committee.

(e) *Sultana Raisins.* Natural condition Sultana raisins shall have been prepared from sound, wholesome, matured grapes properly dried and cured, and shall meet the following additional requirements:

(1) Shall be fairly free from damage by sugaring, mechanical injury, sunburn, or other similar injury;

(2) Shall have a normal characteristic color, flavor, and odor of properly prepared raisins and shall contain not more than 12 percent, by weight, of substandard raisins (raisins that show development less than that characteristic of raisins prepared from fairly well-matured grapes);

(3) Shall not exceed 16 percent moisture as determined by the dried fruit moisture tester method; and

(4) The raisins shall be of such quality and condition as can be expected to withstand storage as provided in the marketing agreement and order, and that when processed in accordance with good commercial practice will meet the minimum standards for processed raisins established by the Committee.

(f) *Zante Currant Raisins.* Natural condition Zante Currant raisins shall have been prepared from sound, wholesome, matured grapes properly dried and cured, and shall meet the following additional requirements; (1) Shall be fairly free from damage by sugaring, mechanical injury, sunburn, or other similar injury; (2) shall have a normal characteristic color, flavor, and odor of properly prepared raisins and shall contain not more than 12 percent, by weight, of substandard raisins (raisins that show development less than that characteristic of raisins prepared from fairly well-matured grapes); (3) shall not exceed 16 percent moisture as determined by the dried fruit moisture tester method; and (4) the raisins shall be of such quality and condition as can be expected to withstand storage as provided in the marketing agreement and order, and that when processed in accordance with good commercial practice will meet the minimum standards for processed raisins established by the Committee.

[42 FR 52378, Sept. 30, 1977, as amended at 46 FR 39121, July 31, 1981; 48 FR 49215, Oct. 25, 1983; 49 FR 1669, Jan. 13, 1984; 49 FR 33994, Aug. 28, 1984; 50 FR 35771, Sept. 4, 1985; 53 FR 34715, Sept. 8, 1988; 67 FR 36793, May 28, 2002; 68 FR 42947, July 21, 2003]

§ 989.702 Minimum grade standards for packed raisins.

Effective pursuant to § 989.59, the minimum grade standards for packed raisins shall be as follows:

(a) *Natural (sun-dried) Seedless, Dipped Seedless, and Other Seedless-Sulfured raisins.* Packed Natural (sun-dried) Seedless, Dipped Seedless, and Other Seedless-Sulfured raisins shall meet the requirements of U.S. Grade C as defined in the effective United States Standards for Grades of Processed Raisins (§§ 52.1841 through 52.1858 of this title): *Provided,* That at least 70.0 percent, by weight, of the raisins shall be well-matured or reasonably well-matured. With respect to select-sized and mixed-sized raisin lots, the raisins shall at least meet the U.S. Grade B tolerances for pieces of stem, and underdeveloped and substandard raisins, and small sized raisins shall meet the U.S. Grade C tolerances for those factors.

(b) *Golden Seedless Raisins.* Packed Golden Seedless raisins shall at least meet the requirements prescribed in paragraph (a) of this section, and the color requirements for ''colored'' as defined in said standards.

(c) *Monukka and Other Seedless Raisins.* Packed Monukka and Other Seedless raisins shall at least meet the requirements prescribed in paragraph (a) of this section, except that the tolerance for moisture shall be 19 percent rather than 18 percent.

(d) *Muscat (including other raisins with seeds) Raisins.* Packed Muscat (including other raisins with seeds) raisins shall at least meet the requirements of U.S. Grade C of the said standards. Layer Muscat (including other raisins with seeds) raisins shall at least meet U.S. Grade B as defined for ''Layer or Cluster Raisins With Seeds'' in said standards, except for the provisions therein relating to moisture content.

(e) *Sultana Raisins.* Packed Sultana raisins shall at least meet the requirements of U.S. Grade C as defined in said standards.

(f) *Zante Currant Raisins.* Packed Zante Currant raisins shall at least meet the requirements of U.S. Grade B as defined in said standards.

(g) *Cluster Seedless Raisins*—(1) *Description.* Raisins referred to as *Cluster Seedless raisins* means the raisins have not been detached from the main bunch. Cluster Seedless raisins shall at least meet the requirements of Marketing Order Grade B prescribed in this paragraph. The processed raisins are prepared from clean, sound, dried grapes; are stored or cleaned, or both, and are washed with water to assure a wholesome product.

(2) *Grades.* (i) Marketing Order Grade A is a quality of Cluster Seedless raisins that have similar varietal characteristics; have a good typical color;

have a good characteristic flavor; are uniformly cured and show development characteristics of raisins prepared from well-matured grapes; contain not more than 23 percent, by weight, of moisture; that not less than 30 percent, by weight, of the raisins, exclusive of stems and branches, are ''2 Crown'' size or larger and meet the additional requirements as outlined in the table in paragraph (2)(iv) of this paragraph.

(ii) Marketing Order Grade B is the quality of the Cluster Seedless raisins that have similar varietal characteristics; have a reasonably good typical color; have a good characteristic flavor; are uniformly cured and show characteristics of raisins prepared from reasonably well-matured grapes; contain not more than 23 percent, by weight, of moisture; that not less than 30 percent, by weight, of raisins, exclusive of stems and branches, are ''2 Crown'' size or larger and meet the additional requirements as outlined in the table in paragraph (2)(iv) of this paragraph.

(iii) Substandard is the quality of Cluster Seedless raisins that fail to meet the requirements of Marketing Order Grade B.

(iv) Allowances for defects in Cluster Seedless raisins:

Defects	Marketing order grade A	Marketing order grade B
	Maximum (percent by weight)	
Sugared	5	10
Discolored, damaged, or moldy.	5	7
Provided these limits are not exceed:		
Damaged	3	4
Moldy	2	3
Substandard Development and Undeveloped.	2	5
Shattered (or loose) individual berries and small clusters of 2 or 3 berries each.	Practically free	Reasonably free.
	Appearance or edibility of product	
Slightly discolored or damaged by fermentation or any other defect not described above.	May not be affected	May not be more than slightly affected.
Grit, sand, or silt	None of any consequence may be present that affects the appearance or edibility of the product.	

Defects	Marketing order grade A	Marketing order grade B
	Maximum (percent by weight)	
Sugared	5	10
Discolored, damaged, or moldy.	5	7
Provided these limits are not exceed:		
Damaged	3	4
Moldy	2	3
Substandard Development and Undeveloped.	2	5
Shattered (or loose) individual berries and small clusters of 2 or 3 berries each.	Practically free	Reasonably free.
	Appearance or edibility of product	
Slightly discolored or damaged by fermentation or any other defect not described above.	May not be affected.	May not be more than slightly affected.
Grit, sand, or silt	None of any consequence may be present that affects the appearance or edibility of the product.	

(h) A handler may grind raisins which do not meet the minimum grade standards prescribed in paragraphs (a) through (g) of this section because of mechanical damage or sugaring, into a raisin paste.

[49 FR 33994, Aug. 28, 1984, as amended at 50 FR 35772, Sept. 4, 1985; 53 FR 34715, Sept. 8, 1988; 67 FR 36793, May 28, 2002; 68 FR 42947, July 21, 2003; 81 FR 84403, Nov. 23, 2016]

Subpart G—Antitrust Immunity and Liability

§ 989.801 Restrictions applicable to Committee personnel.

Members and employees of the Raisin Administrative Committee are immune from prosecution under the United States antitrust laws only insofar as their conduct in administering the Raisin Marketing Order is authorized by the Agricultural Marketing Agreement Act of 1937, 7 U.S.C. 601 *et seq.*, or the provisions of the order. Under the antitrust laws. Committee members and

employees may not engage in any unauthorized agreement or concerted action that unreasonably restrains United States domestic or foreign commerce. For example, Committee members and employees have no authority to participate, either directly or indirectly, whether on an informal or formal, written or oral basis, in any bilateral or international undertaking or agreement with any competing foreign producer or seller or with any foreign government, agency, or instrumentality acting on behalf of competing foreign producers or sellers to (a) raise, fix, stabilize, or set a floor for raisin, sultana, or currant prices, or (b) limit the quantity or quality of raisins, sultanas, or currants imported into or exported from the United States. Participation in any such unauthorized agreement or joint undertaking could result in prosecution under the antitrust laws by the United States Department of Justice and/or suit by injured private persons seeking treble damages, and could also result in expulsion of members from the Committee or termination of employment with the Committee.

[46 FR 39984, Aug. 6, 1981]

PART 990—DOMESTIC HEMP PRODUCTION PROGRAM

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AUTHORITY: 7 U.S.C. 1639o note, 1639p, 1639q, 1639r.

SOURCE: 86 FR 5680, Jan. 19, 2021, unless otherwise noted.

Subpart A—Definitions

§ 990.1 Meaning of terms.

Words used in this subpart in the singular form shall be deemed to impart the plural, and vice versa, as the case may demand. For the purposes of provisions and regulations of this part, unless the context otherwise requires, the following terms shall be construed, respectively, to mean:

Acceptable hemp THC level. When a laboratory tests a sample, it must report the total delta-9 tetrahydrocannabinol content concentration level on a dry weight basis and the measurement of uncertainty. The acceptable hemp THC level for the purpose of compliance with the requirements of State or Tribal hemp